

Stock code: 1256



Sunjuice Holdings Co., Ltd.

2019 Annual General Meeting

**Annual General Meeting
(AGM) manual**

(Translation)

Meeting time: 11:00, 29th May, 2019

Meeting location: Kuan Hotel (No. 69, Baoshun Rd., East
Dist., Chiayi City 600, Taiwan (R.O.C.))

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One. 2019 Annual General Meeting Procedure, Sunjuice Holdings Co., Ltd.

I. Call Meeting to Order (report on total shares represented by shareholders present in person)

II. Chairman's Address

III. Reporting matters

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V. Discussion matters

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VII. Adjournment

Two. 2019 Annual General Meeting of Sunjuice Holdings Co., Ltd.

Time: 11:00, 29th May, 2019

Location: Kuan Hotel (No. 69, Baoshun Rd., East Dist., Chiayi City 600, Taiwan (R.O.C.))

I. Report on total shares represented by shareholders present in person

II. Chairman calls the meeting to order and gives address

III. Reporting matters

Agenda 1: 2018 Business report

Agenda 2: Review of the Closing Report for the Year 2018 by Supervisors

Agenda 3: 2018 Employees, and directors and supervisors' remuneration distribution report

IV. Proposed resolutions

Agenda 1: Recognition of 2018 business report and financial statements

Agenda 2: Recognition of 2018 Appropriation of Earnings

Vote for above-mentioned agenda for recognition

V. Discussion matters

Agenda 1: Surplus allocated by issuing as new stock to increase capital

Agenda 2: Revision of the Company's "Memorandum and Articles of Association"

Agenda 3: Revision of the "Procedures for Acquisition or Disposal of Assets."

Agenda 4: Revision of the "Regulations governing loaning of funds and to other parties."

Vote for above-mentioned agenda discussion

VI. *Ad-Hoc* Motions

VII. Adjournment

Three. Reporting matters

Agenda 1: Proposed by the Board of Directors

Item: 2018 Business report. Please examine.

Description: The Company's 2018 business report, please refer to Attachment I of this manual.

Agenda 2: Proposed by board of directors

Item: Review of the Closing Report for the Year 2018 by Supervisors. Please examine.

Description: Review report by the Company's supervisors, please refer to Attachment II of this manual.

Agenda 3: Proposed by the board of directors

Item: 2018 Employees, and directors and supervisors' remuneration distribution report. Please examine.

Description: In accordance with the Company's Memorandum and Articles 123-1 of Association, depending on the profit situation of the Company for the year, shall make allocation of employee compensation for at least 0.15%, while directors and supervisors' compensation shall not exceed 2%. But when the Company has accumulated losses, it shall make compensation for it first. The Company paid the directors and supervisors' compensation for NT\$3.4 million, and paid the employees' compensation for NT\$9.187 million in cash, in the year 2018.

Four. Proposed resolution

Agenda 1: Proposed by the Board of Directors

Item: Recognition of 2018 business report and financial statements. Please acknowledge.

Description: The preparation of the Company's 2018 business report, the consolidated financial statement has been completed. Please refer to Attachment III.

II. This item has been submitted to the board of directors for discussion and the review by supervisors has been completed, submitted to this Annual General Meeting for resolution in accordance with the law.

Agenda 2: Proposed by board of directors

Item: Recognition of 2018 Appropriation of Earnings. Please acknowledge.

Description: Processed in accordance to Cayman Islands' law and the Company's Memorandum and Articles of Association.

- II. Enclosed with 2018 Disposition of net earnings, please refer to Attachment IV.
- III. The Company's 2018 Disposition of net earnings shall be reviewed by the board of directors, and submitted to the 2019 Annual General Meeting to pass the resolution approving the authorization for the Chairman to make a proposal regarding ex-dividends date and related matters, and the authority to handle related matters in its entirety.
- IV. For the cash dividends allotted at less than one dollar of the zeros for the total count, the decimal point values are ranked from large to small and distributed to zero according to the shareholders' allocation.
- V. Afterwards, if the number of circulating shares is affected by other factors such as cash replenishment, buying back of treasury shares or cancellation, it is proposed for the shareholders' meeting to authorize the board of directors to adjust the interest rate and handle the relevant matters in its entirety.

Vote for above-mentioned agenda for recognition

V. Discussion matters

Agenda 1: Proposed by the Board of Directors

Item: Surplus allocated by issuing as new stock to increase capital. Please proceed to discuss.

Description: In consideration of future business development needs, the Company intends to allocate NTD\$30,765,600 from the 2018 unappropriated earnings as stock bonus to stockholders by stock for a total of 3,076,560 shares, with par value NT\$10.

- II. The capital increase is calculated based on the number of shares held by shareholders as of the record date, stock grants per share is 0.1 share. The unit for distribution is one share, for shares less than one share. Within five days from the date of the suspension of the shareholder, the shareholder shall register with the Company's represented service organization for combining as whole stock. For distorted stocks that do not make up to one share, as arising from abandoned combination or after combination registration, cash will be issued according to its par value (rounded off to the nearest dollar). The board chairman will be authorized by the shareholders' Annual General Meeting to negotiate with specific person to purchase at its par value.
- III. The rights and obligations of this capital increase to issue new shares are the same as

the original shares.

- IV. If, after the event, the share capital of the company changes and the number of shares outstanding in circulation affects the shareholder's share option ratio and needs to be amended, it is proposed to request the shareholders' Annual General Meeting to authorize the board of directors to adjust the share allotment rate.
- V. In this case, after the resolution is approved by the shareholders' Annual General Meeting and submitted to the competent authority for approval, the board of directors is authorized to set a separate base date for shares allotment.
- VI. If the case is subject to relevant laws and regulations, market conditions or the approval of the competent authority, for such changes or other unfinished matters, it is proposed to the shareholders' Annual General Meeting to authorize the board of directors to handle the matter in its entirety.

Agenda 2: Proposed by board of directors

Item: Revision of the Company's "Memorandum and Articles of Association." Please proceed to discuss.

Description: In order to cooperate with the Taiwan Stock Exchange to amend the "Checklist for the Protection of Shareholders' Rights and Interests of Foreign Issuer Registration Countries", it is proposed to amend the Company's "Memorandum and Articles of Association" and submit it to the lawyer, Chiu Shih Fang, of the Kaider Law Firm for review.

- II. Comparison table for revised provisions, please refer to Attachment V.
- III. After the approval by the board of directors, the case was submitted to the shareholders' 2019 Annual General Meeting for discussion.

Agenda 3: Proposed by the board of directors

Item: Amendments of the Company's "Procedures for Acquisition or Disposal of Assets." Please proceed to discuss.

Description: In order to cooperate with the competent authority of Taiwan to amend the "Procedures for Acquisition or Disposal of Assets", it is proposed to amend the "Management Procedures for Acquisition and Disposal of Assets" of the Company and its subsidiaries. Please refer to Attachment XV for the comparison table of the revised provisions.

Agenda 4: Proposed by the Board of Directors

Item: Revision of the "Regulations governing loaning of funds and to other parties." Please proceed to discuss.

Description: In order to meet the Company's operating needs, it is proposed to amend the Company's "Regulations governing loaning of funds and to other parties." Please refer

to Attachment VIII for the comparison table of the revised provisions.

Vote for above-mentioned agenda discussion

VI. Ad-Hoc Motions

VII. Adjournment

Attachment I

Sunjuice Holdings Co., Ltd.

2018 Business report

I. 2018 Business report

(I) Business plan implementation results:

Unit: New Taiwan Dollars (thousand)

Item \ Year	2018	2017	Increase (decrease) amount	Changes percentage (%)
Operating income	3,221,239	2,917,183	304,056	10.42%
Operating costs	2,077,143	2,044,393	32,750	1.60%
Gross profit	1,144,096	872,790	271,306	31.08%
Operating expenses	539,712	423,185	116,527	27.54%
Operating net profit	604,384	449,605	154,779	34.43%
Net non-operating	20,661	(2,231)	22,892	(1,026.09%)
Net profit before tax	625,045	447,374	177,671	39.71%
Income tax expenses	183,310	160,212	23,098	14.42%
Net income for the	441,735	287,162	154,573	53.83%

(II) Budget implementation situation: not applicable to undisclosed financial forecast.

(III) Financial income and profitability analysis: The Company focuses on high quality products investments and integration, steady financial operations with good income status.

Unit: New Taiwan Dollars (thousand)

Item \ Year	2018	2017	Increase (decrease) amount	Changes percentage (%)	
Financial income	Operating income	3,221,239	2,917,183	304,056	10.42%
	Gross profit	1,144,096	872,790	271,306	31.08%
	Interest income	13,071	15,847	(2,776)	(17.52%)
	Interest expense	9,440	22,663	(13,223)	(58.35%)
	Net income for the year	441,735	287,162	154,573	53.83%

Item		Year		Increase (decrease) amount	Changes percentage (%)
		2018	2017		
Profitability	Return on assets (%)	18.21%	15.01%	3.20%	21.32%
	Return on shareholders' equity (%)	26.73%	23.44%	3.29%	14.04%
	Net profit rate (%)	13.71%	9.84%	3.87%	39.33%
	Basic earnings per share (NTD)	14.35	10.01	4.34	43.36%

(IV) Research development update:

The food and beverage industry is one of the important driving forces for mainland's GDP growth; Its rapid growth and good development momentum have become a focus of many entrepreneurs and investors. As the supply chain of the food and beverage industry, the Company has seen the market competitiveness of this industry gone increasingly intense, thus, there is an urgent need for enhanced corporate management. With the frequent occurrence of food safety incidents and the shortage of labor and other national issues, in order to achieve better survival and development, especially for the small medium size food and beverage businesses in the mainland, it is necessary to continue to diligently enhance "internal strength" and optimize internal basic management. At the same time, there is a need to combine strengthening management and control for aspects relating to environment and food safety (food safety, fire safety, staff safety, and capital security, etc) and human resources (human resource system establishment, hiring, staff incentives and motivation, etc), to be prepared for the upcoming transition.

The Company has all along placed a focus on new products development and foundational research, based on product characteristics like natural, healthy, safe and tasty, continuous efforts towards high quality product development and improvement, meeting the needs of catering personalized raw materials and bulk raw materials in the food industry. We continue to provide our customers with the best and customized products and services. At the same time, the Company actively recruits professionals in this field, strengthens innovation and patent development capabilities of the research and development (R&D) team by providing incentive measures. We maintain to be a leader in technology and at the same time conduct in-depth market survey, research changes to managing store-end and consumer behavior changes. This will enhance product innovation and upgrade as we make precise market positioning and new product research and development plans, being close to the market and mining and discovering customer needs. In addition, the Company combines many years of experience in fruit production location management, promoting and establishing "food traceability," continues to

deepen the Company's leading position in core competitiveness and in creating maximum value for its shareholders.

II. Summary of 2019 Operations plan

(I) Business strategy:

The Company continues to be deeply rooted in the beverage supply chain industry of the food and beverage businesses, committed to global layout, to realize the Company's development policy of "Keeping healthy at 100% with the quality of safety – the supply chain of food and beverage industry. Our core is research and development of fruit-based manufactured products, establishing the Company to become a professional in the industry as the central kitchen, and we research market trends to promote new products that are with more fashionable characteristics. We strive hard in leading products towards a natural, healthy, safe and tasty direction. At the same time, we adhere to the business philosophy of solving problems for our customers, continuously improving operational efficiency and quality standards, and pursuing revenue and profit growth, and creating more shareholder value.

(II) Expected sales volume and its basis

The Company's 2018 annual operating income has increased by 10.42% as compared to 2017. The Company has achieved its expected sales target. The Company achieved good performance, benefiting from the continuous growth of the food and beverage market, the upgrading of consumer demand and the layout of the three factories in Kunshan, Tianjin and Guangdong, enhanced production capacity, research and development capabilities and service capabilities. In response to market changes, the Company adapts to consumer demands, strengthens customer relationship, and gets closer to the service market, launching new series of new products such as syrup, NFC+ juice, whole bean powder, tasty granules and frozen fruit nectar to meet the upgraded demands of consumers in the new environment. In order to better serve the local chain system customers, we provide OEM and ODM customized services. Through the company's R&D, quality control and technology applications, we provide a full range of product solutions to our customers, helping them to increase their product competitiveness and enhance their profits. Participated in large-scale industrial raw materials, hotel catering, baking and other exhibitions and industry associations every year, held dealer marketing conferences, new product promotion events, product training sessions, continue to increase new pipelines, develop new customers, add new products, and maintain diversified development of channel distribution. This year, the Company will increase the number of business personnel, deepen into the market and improve services according to the planned business volume of each district. At the same time, the Company will gradually increase the local business personnel by combining the service capabilities and service scope of the two factories in Tianjin and Guangdong. Enhance the production capacity of the two plants and the timeliness

of the supply chain, with the goal of strengthening the training of customers and improving the image of professional services. In response to the needs of local small and medium-sized restaurant chain system for individualization, timeliness and convenience, the Company provides a research and development platform, an open training mechanism, and actively helps customers to solve problems. At the same time, it actively trains the dealer service business team and enhances the dealer's comprehensive capabilities. In the sales strategy to deepen the radiation of the pipeline, build a diversified and win-win sales network; broaden the scope of the pipeline, develop traditional Chinese meals, baking, Internet cafes, group meals, office buildings and other pipelines; make full use of product resources, let products of different positioning to play business contribution and profit contribution in different markets; more detailed operations, found a win-win point between customers, the business develops in a more professional direction; develop and maintain local target customers and well-known restaurant chains with the local distributors system.

(III) Important production and marketing policy

The year 2018 is the 40th anniversary of the reform and opening up of the mainland. In the context of consumption upgrading, the rise of group meals, capital intervention, stock listing, smart technology penetration, new retail wave sweeping, and new social security taxation, the food and beverage industry has confronted tremendous opportunities and challenge. The growth rate of the food and beverage industry for the whole year was maintained at around 10%, especially in the light foods such as tea and beverage; the food and beverage market was further expanded, the e-commerce platform was rapidly expanding, and the competition among the platforms was fierce. The more popular leading online brand enterprises get more financing, complete domestic market, actively deploy overseas markets, impact listing, such as HEYTEA, NaiXue Tea, inWe Tea and other new tea type leading brands.

In 2018, the mainland government's steady growth and employment mainly depended on optimizing supply and stabilizing domestic demand. Through deepening reforms, the domestic economic vitality was continuously improved. As the global central bank became more lenient, the pressure on the RMB exchange rate continued to decrease, and the space for loosening the Chinese currency expanded. In the beginning of 2018, there was a positive momentum for a "stable currency and broad credit." Secondly, active financial support policies, especially the infrastructure projects supported by special debts continued; thirdly, tax cuts, including the full-scale landing in January this year. Tax reforms, as well as several rounds of corporate tax reductions and reductions that have been launched and are being developed, are also good policies for the Company, which can save on costs. Planning the layout of the three factories, increasing the scale effect, and enhancing the Company's industry competitiveness.

Looking forward to 2019, the downward pressure on China's economy in the large environment still exists. The traditional manufacturing industry is facing transformation and upgrading. Industrial development is deepening and the competition in the same industry is intensifying. The Company will face more challenges and opportunities to cope with the changes

in the competitive landscape. It will work to deepen base management, using innovation to enhance value, continue to maintain the advantages in product and service leadership, be committed to the development of fresh, delicious, safe, healthy high-quality products to lead the market, and accelerate resource integration. The introduction of more advanced production equipment, research and development to meet customer needs for customized and diversified products, benefits optimizing sales channels and leading the market trend.

1. Production strategy:

Deepen the concept of lean workshop management and strive to improve the cost structure and internal processes, continuously improve and optimize from the aspects of equipment utilization rate increase, production utilization rate improvement, energy consumption improvement, material loss control, etc. reducing manufacturing costs and improving production. Continue to promote the improvement activities such as standard production, establish standard operating SOPs, and improve the stability of the workshop to also improve the quality of operations. Optimize the layout of NFC workshop production lines, establish the manufacturing process and technical optimization of high-end grain, fruit puree, hot and cold coffee (tea) and tasty granule production lines, actively improve product quality and diversify structure, meet customers' order requirements to expand the foundation for cooperation with potential customers. Implement product traceability management; combines information-based production line to create production and sales resume, ensure product quality safety and strengthen the Company's leading indicators in the industry. Implement the automatic warehousing and production couplet, realize the establishment and implementation integrity of the traceable resume, and strive for more well-known food and beverage system cooperation opportunities close to the regional market, actively deploy the North China Tianjin branch and promote services and timeliness of goods supply in North China, Northwest China and Northeast China to increase market share. At the same time, we will complete the layout of the new Guangdong factory's new production line, strive to obtain more advantages, combine supply chain management, tropical fruit production advantages, expand the market share in the South, and commit to business accuracy estimation, improve production rationalization, improve delivery rate, increase product shipment turnover rate and improve customer satisfaction.

2. Sales strategy:

The marketing department is responsible for the product, the business department is responsible for sales and the R&D department develops products according to the market and business needs. The marketing department deepens into the market, investigates market trends and consumer behavior, provides the latest market demand to the R&D department, and actively develops new products. According to the business layout and planning of the third factory, the business department will subdivide the market and the channel, adopt the nine grid method to manage the customers' hierarchy, formulate the frequency of visits, and use the FAB analysis to develop new markets, new channels and quality customers. In terms

of product breadth, combined with the Company's patents, it develops patented new products such as lemon essential oils, emulsifiers and enzymes to enhance the quality and stability of existing products and enhance the Company's competitiveness. In terms of depth, the Company has set a higher growth target for the 46 well-known series of juices, fruit granules, solid beverages, tasty granules, invert syrup and protein beverage, cold (hot) extract coffee (tea), in the seven categories, to increase market expansion. It will continue to promote the market share of frozen juice, fruit puree, excellent fruit C, high fruit juice, and form a more competitive main product; respond to market upgrades, meet natural, healthy, safe and delicious product appeal, and focus on promoting NFC+ direct drinking Fruit juice, whole bean powder, soy milk, high-end syrup, cold (hot) brew coffee (tea), enzymes, high-end grain flour and other products to enhance the industry's advantages; for frozen juice, quick-frozen fruit, increase cooperation with large-scale chain system, enhance the Company's professional capabilities in the field of fruit processing. Continue optimization of package aesthetics, ushering in boutique technique, strengthening market management and establishing differentiation to prompt business development and collaboration with a variety of new clients such as restaurant chains, food industry, retails, catering and e-commerce. Establish market information center for research on market trends, consumer behavior and competitor status. Provide update market information and industry sales data for plant 3 sales reference. Draft a response strategy to coordinate market arrangement. Conduct detailed market, channel and product segmentation to realize plant 3 business goal and collaboration. Detailing individual work responsibility and moving service strategy forward. Establish KA service team in response to market fluctuations and timely client demand satisfaction. The team is consolidated from the market division and includes R&D, planning, technical support and sales. Service will focus on influential top-tier chains to understand client requests, introduce customized products, design application and menu and staff training. A holistic ready for use product solution is provided to resolve client concerns. Consolidate Shanghai subsidiary Sense Beverage to focus on automating post-mix beverage and market development. Aims to become the expert in professional automated beverage solutions while providing the company with a newly integrated project and raw materials for development of natural, healthy, safe and tasty beverages. Establish an industry brand to obtain consumer preference and trust.

3. R&D strategy

A pilot plant is set up within the R&D department for product quality enhancement and diversification of product structure. It also provides development concepts, cost analysis, test runs and production process standardization. Effectively accelerating product development and mass production.

Development of eco-friendly and healthy products in response to trends toward the mid-high end fresh and wellness market. Market development into NFC juice, whole bean powder, soy milk, whole fruit usage, cold and hot brew coffee(tea) and grainy texture new

products.

The development focuses on infrastructural research to overcome technical obstacles, reserve innovative technology and to lead market trends. Complete micro emulsion research which guarantees freshness and enhanced texture of products. Completed launch of advanced experimental aseptic canning equipment to optimize production flow and technique. The R&D team continues conforming to the market and client with periodic market research, client relationship maintenance, common discussion and revisit on product development to further collaboration with clients. Co-development of product with clients according to specific client requests. Provide customized formula for clients to differentiate with others within the same channel.

III. Future Company Development Strategy

- (I) Positioned as the central kitchen of the food industry. Stemming from fruit-related products to diversified expansion in accordance with channel characteristics. Layout futuristic product portfolio and production to establish the company as an industry leader.
- (II) Pro-active client and market share development, strengthen client relationship, consolidate industry value chain resource, providing one stop service from raw materials to end user for enhanced client satisfaction and brand reputation.
- (III) Form a scalable regional plant with production control using juice beverage formula as the core competence.
- (IV) Ensure important raw materials procurement goal to formulate traceable front-end production and progress into a plant with complete traceability.
- (V) Import from overseas advanced technology and equipment to support deep processing with convenient and eco-friendly raw materials and product.
- (VI) Pro-actively introduce new marketing methods, construct well-built e-commerce platform and strengthen brand influence.
- (VII) Attend industry networking activities and establish industry standards. Pro-active participation in industry relevant exhibitions and contests to promote positive industry development.
- (VIII) Establish a professional and exclusive raw materials base to ensure safety and quality.
- (IX) Pro-active global market integration to become a part of the international supply chain.
- (X) Continue strengthening of company management and social responsibility in pursuit of sustainability.

IV. Impact from External Competition, Laws and Regulations, Overall Market

(I) Impact from External Competition

1. The food industry continues growth amidst an underperforming overall economy. Large scale international brands joining the industry and upstream providers entering final end channels intensified competition. Direct usage of fruit, tea and milk as raw materials by

market leading brands in an effort to provide fresh and healthier products induced plants with material advantage to join the supply chain. Increasing the pressure on costs. New demands and intense market competition pushed companies to reposition products and strive for innovation to satisfy consumers of a new trend. Besides price advantage, products that are healthier, stable, quality ensured and with diversified options is a must for clients under the intense market struggle.

2. Rise in the cost of raw materials, manpower and environmental responsibility has affected the survival of companies. Whether it is a heightened environmental awareness or labor shortage, these are unstoppable trends. In response to annual rising costs, the company continues to research new techniques, simplify production and progressively introduce smart production system. Automated and smart equipment will partially replace manual labor. The process will strive for continuous production, efficiency, reduced overlaps, shorten materials return rate, increase productivity and lower labor costs.
3. Tension on eco-friendly and safety measures have become the norm in China. Companies affected have experienced a rise in materials, packaging and transportation costs. Although pressured in the short term, it is an effective method in the long run in terms of industry re-structuring to stimulate survival of the fittest. The industry will continue to centralize and escape from malignant competition into benign development. In response to rising costs, the company is optimizing product structure and releasing new technology, improving process, introducing new equipment and increasing productivity. In raw materials, the company tracks international commodity prices to optimize budget, while locking onto materials seasonality and lower price demand phases to maintain a cost advantage. In warehousing, the company has built automated warehouses in sync with ERP system for best production planning inventory. In order placement, the company negotiates the quantity ordered by important clients according to pallet inventory to increase productivity, shipment and on time delivery. For transport, the company publicly tenders for adequate collaborating logistics to optimize shipment number, transport route, lowered cost and increased client satisfaction.
4. The China economic development faced much harsher and complex external environment in 2019 than in 2018. According to competent authorities, investment growth will bottom out, consumption will remain steady with only a slight dip. Export growth will ease down with overall price being stable. The scissors gap will narrow for industrial and consumption goods. In the meantime, supply side structural reform will continue to demonstrate its economic steadying effect. Policies to signal encouragement in private sector business development and deepening of reforms will steady corporate confidence, employment, finance, trade, investment which will gradually take effect. 2019 is also 70 years into the establishment of a New China and the key year in constructing a well-off society. The Chinese government made an emphasis which will be cooperated by all regional government bodies. A full-frontal

analysis will be made on the profound changes in both internal and external environments. The scientific method will be implemented to obtain key strategic opportunities and new connotations, while responding to all risks and challenges levelly for a decisive foundation in the realization of a well-off society. Thus, the 2019 Chinese economy will maintain a steady growth with expected GDP acceleration at 6.3%.

5. Leading the new beverage retail industry in Shenzhen, Guangzhou and Shanghai hyper markets are top tier brands spurring second and third tier markets to follow and surge. Meanwhile second and third tier brands will slip to fourth and fifth tier markets, as they offer greater berth for growth. The rapid increase in beverage demand will prompt China beverage development while progress in online platforms will liberate location restraint, allowing stores in the lower end markets to easily obtain raw materials and promote growth in the beverage industry. Popularized foods will gain consumer recognition and traction due to its reasonable price and convenience. The vigorous demands will become a boost in the steady development of the food industry. With the distribution of “Opinions on the promotion of the green food industry development” by the Ministry of Commerce and 9 other departments, green food and the green revolution development in China have been pushed to new heights. The Ministry of Commerce will be fostering 5000 green food companies within 3 years, promoting the normalization of food savings, robust green food standard system and construction of green food service for the public. “Attention to health, building of green food” will become the sensible choice for food companies as an effective step to increase core competencies and amplify brand influence in 2019 and future developments. Within this framework, the China food industry have gradually acquired recognition and favor from major capital and global investors. Many leading brands in the market have received good financing, which provided fund backings for companies to go strong and big. As a beverage material provider for the food industry, the company continues to make note of national policies and take root in the market according to trends while seeking development and breakthroughs powered by innovation. In response to the transformation and upgrade in the food industry while complying to client demands for better raw materials, the company consolidated material resources and accommodate client needs by offering traceability resume and products. A green supply chain will be established and in joining the global chain of suppliers.

(II) Impact from Laws and Regulations

1. The industrial waste water generated during production are processed in the company established treatment plant. It is to ensure the water quality attains national regulation standard, reduces impact on environment, makes an effort at social responsibility and conforms to global standard on environmental protection. For the environmental tax

- imposed in 2018 according to aggregate discharge, the company has pro-actively responded by implementing reclaimed water re-use projects to reduce total discharge.
- 2.To raise employee awareness and action on abiding environmental related laws as well as environmental protection consciousness, the company actively introduced and was certified with the ISO14000 environmental management system. Adhering to prevention as priority and continuous improvement guidelines, all personnel are participating in the dynamic system of environmental management, effectively curbing environmental fails.
 - 3.Strict compliance to food safety laws and related laws, regulations and guidelines. Early preparation in optimizing shareholder rights and minimizing risk.
 4. Labeling product nutrient content in accordance with China’s law remediation on illegal and misuse of food additives. Strict compliance to every regulation protocol and execution. Reinforces supplier assessment to extend related risk control for guaranteed related laws and regulation correspondence.

(III) Impact from Overall Business Market

- 1.The up and coming food industry market remains benign in line with favorable consumer market trends. Focus on budget mechanism, product portfolio optimization and enhanced financial structure according to market analysis report and industry movements. Maintain client and supplier relations while being keen on the market to minimize business risk.
- 2.Strengthen financial information timeliness in response to variable future economic developments for better comprehensive decision making.
3. For high raw material cost, timely attention is given to market price for precise estimates on annual usage to strive for best prices and products. For high labor cost, timely release of high quality, value-added products and fostering of diverse talents, more organizational training and enhancing of employee skill sets to improve work effectiveness and retain comprehensive competitiveness of the company which elevates business results.
- 4.The diverse industry development, entrance of foreign capital and heavy weight companies and intensified competition, the content has escalated in the market. To enhance competitiveness, the company will increase diverse talent fostering for adapting and satisfying changing client demands, build innovative methods and enter consumer’s lives.
- 5.The company continues to maintain ample financial liquidity in light of global trade protectionism and frequent fluctuations in foreign exchange. The company will strengthen client credit control, account receivables payment and attain line of credit from banks to ensure financial stability.

Hereby, the company on behalf of all staff holds sincere acknowledgment to all its shareholders who have been supportive and attentive to the company throughout these times. The company will continue in its efforts, while adhering to “Health in Quality and Safety” business concept to excel in the food industry supply chain and in maximizing shareholder equity.

To all shareholders

In Good Health and Good Business

Sunjuice Holdings Co., Ltd.



President: HUANG,KUO-HUANG



General Manager: HUANG,KUO-HUANG



Finance Officer: CHEN,YI-JU



Attachment II

Sunjuice Holdings Co., Ltd.

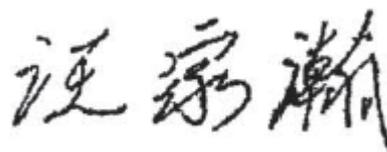
Review report by supervisors

The Company's consolidated Financial Statements as presented by the board of directors, including the Business Reports and Proposal on Profit Distribution and others, were audited by independent auditors, HSIEH, MING-CHUNG and CHEN, HUI-MING of Deloitte which have been examined by the supervisors and found no discrepancies. Thus, this report is prepared in accordance with Article 219 of the Republic of China Company Act. For your honor's approval.

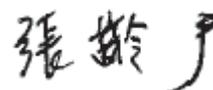
Hereby to

Sunjuice Holdings 2019 Annual Shareholder Meeting

Supervisor WANG, CHIA-HAN



Supervisor CHANGLING-YIN



Supervisor Treasure Island Properties Co., Ltd.

Representative: CHEN, CHIN-KUN

For and on behalf of
TREASURE ISLAND PROPERTIES CO., LTD.



Authorized Signature(s)

March, 7th, 2019

Sunjuice Holdings Co., Limited and Subsidiaries

Consolidated Financial Statements for the

Years Ended December 31, 2018 and 2017 and

Independent Auditors' Report

Attachment IV

Sunjuice Holdings Co., Ltd.

2018 Annual Profit Distribution Table

Unit: NT\$

Items	Total
Beginning Period Undistributed Retained Earnings	461,011,024
adopting TIFRS adjustment	
initial account of special reserve with TIFRS	
adjusted Beginning Period Undistributed Retained Earnings	461,011,024
initial account of special reserve with TIFRS reversal	
Disposal (or cancelled) of treasury stock debit retained earnings	
long term equity investment adjusted retained earnings	
Actuarial gains (losses) through retained earnings	
adjusted undistributed retained earnings	461,011,024
Net profit this period	441,632,845
account legal reserve (10%)	44,163,285
account special reserve in accordance to law	32,786,057
account special reserve in accordance to law reversal	
self-accounted special reserve	
self-accounted special reserve reversal	
Distributable Retained Earnings this period	825,694,527
Distributed Items	
Stock Dividend	30,765,600
Cash Dividend	190,746,720
End of Period Undistributed Retained Earnings	604,182,207

President: HUANG,KUO-HUANG



General Manager: HUANG,KUO-HUANG



Finance Officer: CHEN,YI-JU



Note 1: In the event that the proposed profit distribution is affected by the change in number of shares outstanding due to issuance of new shares due to stock option transfer, buyback of shares or the transferring or canceling of treasury shares, it is proposed that the Board of Directors be authorized to handle and make adjustments.

Note 2: Cash dividend 6.2NT\$ per share, stock dividend 0.1 shares per share. Which will be distributed on a record date determined by the Board after approval from the Annual Meeting of Shareholders.

Comparison table for the revision of the Company's

“Memorandum and Articles of Association”

	Original Provisions	Amended Articles	Explanation
Cover	“Amended by special resolution passed on may 28, 2018”	“Amended in accordance to shareholder’s meeting special resolution in DD/MM/2019”	Updated the date of approval to amend the Company’s Corporate Charter by the shareholder’s meeting
P.1	“Amended by Special Resolution Passed on MAY 28, 2018”	“Amended in accordance to shareholder’s meeting special resolution in DD/MM/2019”	Updated the date of approval to amend the Company’s Corporate Charter by the shareholder’s meeting
P.3	“Amended by Special Resolution Passed on MAY 28, 2018”	“Amended in accordance to shareholder’s meeting special resolution in DD/MM/2019”	Updated the date of approval to amend the Company’s Corporate Charter by the shareholder’s meeting
4	The business of the Company may be commenced as soon after incorporation.	(A) The company can commence operations any time after incorporation. (B) <u>When conducting an</u>	Adding item (B) in compliance to

		<u>operation, the company should comply with the regulations and business ethics, and adopt actions to enhance public interest in an effort towards social responsibility.</u>	the Company Act and Shareholder Equity Protection for Local Registration of Foreign Issuer inspection items.
6-1	“New”	(A) <u>The company may not issue bearer share certificates.</u> (B) <u>Shareholders with no par value stocks cannot be transferred to par value stocks.</u>	Adding an article in compliance to the Company Act and Shareholder Equity Protection for Local Registration of Foreign Issuer inspection items.
42-1	“New”	<u>Shareholders holding over half of the total issued stock for a consecutive 3 months may call for a shareholder’ s meeting.</u> <u>Shareholding period and amount should be determined by the number of shares held at the time when the share transfer registration is suspended.</u>	Adding an article in compliance to the Company Act and Shareholder Equity Protection for Local Registration of Foreign Issuer inspection items.
44	. The following matters shall be	The following matter shall be	This Article

<p>specified and described in the notice of a general meeting, and shall not be proposed as ad hoc motions:</p> <ul style="list-style-type: none"> (a) election or discharge of Directors or Supervisors; (b) amendments to these Articles; (c) dissolution, Merger or Spin-off, equity conversion of the Company; (d) entering into, amendment to, or termination of any contract for lease of its business in whole, or for entrusting business, or for regular joint operation with others; (e) the transfer of the whole or any material part of its business or assets; (f) taking over another's whole business or assets, which will have a material effect on the business operation of the Company; (g) carrying out private placement of its securities; (h) granting waiver to the Director's engaging in any business within the scope of business of the Company; (i) distributing part or all of its dividends or bonus by way of issuance of new Shares; (j) transfer of Treasury Shares pursuant to Article 32; and (k) capitalization of any amounts standing to the credit of the statutory reserve or the following Capital Reserves - Share Premium Account and/or 	<p>indicated and detailed in Shareholder's Notice and cannot be proposed in extempore motion. <u>The context of which shall be placed in a designated site by the securities authority of the company with the link specified in the notice:</u></p> <ul style="list-style-type: none"> (a) Director or supervisor appointment and discharge; (b) Amendment of the Charter; (c) <u>Capital reduction;</u> (d) <u>Discontinue of public issuance;</u> (e) The company dissolution, consolidation, stock transfer or split-up; (f) Enter into, amend, or terminate any contract for lease of the company's business in whole, or for entrusted business, or for regular joint operation with others; (g) Transfer the whole or any essential part of its business or assets; (h) Accept the transfer of another whole business or assets, which has great bearing on the business operation of the company; (i) Private placement of securities; (j) Release the prohibition on directors from participation in competitive business; 	<p>was amended in line with the Company Act and the Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation.</p>
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	<p>income from endowments received by the Company, or making distributions out of the Statutory Reserve and the Share Premium Account to its Members in cash.</p> <p>Subject to the Law, the Applicable Listing Rules and these Articles, the Members may propose matters in a general meeting by ad hoc motions, and the matters proposed by the Members shall be directly related to the matters specified and described in the notice of a general meeting. In case the matters proposed by the Members violate this paragraph, the matters proposed may be denied by the Chairman.</p>	<p>(k) Distribution of the company's dividends or bonus in partial or in whole;</p> <p>(l) Transfer of treasury stock in accordance to article 32, and</p> <p>(m) Capitalize legal reserve or capital reserve from the issuance of new shares at a premium and income from endowments received or the distribution in the form of <u>issuing new stocks</u> or <u>cash</u> from legal reserve and share premium account to original shareholders.</p> <p>Besides the Cayman Company Law, applicable listing rules or specified otherwise in the Charter, shareholders can propose with an extempore motion. However, the proposal shall be in direct correlation with the calling for a shareholder's meeting. If in violation, the chairman of the meeting holds the right to reject the proposal.</p>	
47	<p>2. Member(s) holding one percent or more of the total number of issued Shares immediately prior to the relevant Register close period may propose in writing to the Company a proposal for discussion at a general 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</p>	<p>A shareholder holding one percent or more of the total number of issued shares immediately prior to the relevant book closing period may propose in writing <u>or by electronic means</u> to the Company a proposal for discussion at an annual general meeting. Only one proposal from each shareholder shall be</p>	<p>Adding an article in compliance to the Company Act and Shareholder Equity Protection for Local Registration of</p>

<p>not be included in the agenda. The following procedures shall apply for making such proposals:</p> <p>(a) Prior to the date of the relevant Register of Members close period, the Company shall, in accordance with the Applicable Listing Rules, provide a public notice announcing the place and the period for Members to submit proposals to be discussed at the general meeting. The period for accepting such proposals shall be at least 10 days;</p> <p>(b) The number of words of a proposal to be submitted by a Member shall be limited to not more than 300 words, and any proposal containing more than 300 words shall not be included in the agenda of the general meeting. The Member who has submitted a proposal shall attend, in person or by a proxy, the general meeting whereat his/her proposal is to be discussed and shall take part in the discussion of such proposal;</p> <p>(c) Under any of the following circumstances, the Directors of the Company may exclude the proposal submitted by a Member from the list of proposals to be discussed at the general meeting:</p> <p>i. Where the subject (the issue) of the said proposal cannot be settled or resolved by a resolution to be adopted</p>	<p>discussed and any further proposal where the subject (the matter) of the said proposal shall not be included in the agenda. In addition, for making proposals, the following procedure shall be followed:</p> <p>(a) Prior to the date on which share transfer registration is suspended before the convention of a regular Shareholders' Meeting, the Company shall give a public notice announcing acceptance of proposals in writing or by way of electronic transmission, the place and the period for shareholders to submit proposals to be discussed at the Meeting; and the period for accepting such proposals shall not be less than ten (10) days;</p> <p>(b) The number of words of a proposal to be submitted by a shareholder shall be limited to not more than 300 words, and any proposal containing more than 300 words shall not be included in the agenda of the Shareholders' Meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular Shareholders' Meeting whereat his/her proposal is to be discussed and shall take part in the discussion of such</p>	<p>Foreign Issuer inspection items.</p>
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	<p>at a general meeting;</p> <p>ii. Where the number of Shares of the Company in the possession of the Member making the said proposal is less than one percent of the total number of issued Shares at the date of the relevant Register close period; or</p> <p>iii. Where the said proposal is submitted on a day beyond the deadline fixed and announced by the Company for accepting Members' proposals.</p> <p>(d) The Company shall, prior to preparing and delivering the notice of the general meeting, inform in writing all the Members who have submitted proposals pursuant hereto about the proposal screening results, and shall list in the said notice the proposals conforming to the requirements as set out in this Article. With regard to the proposals submitted by Members but not included in the agenda of the general meeting, the cause of exclusion of such proposals and explanation shall be made by the Directors at the general meeting to be convened.</p>	<p>proposal;</p> <p>(c) <u>Unless</u> any of the following circumstances is satisfied, the board of Directors of the Company <u>shall</u> include the proposal submitted by a shareholder in the list of proposals to be discussed at a regular meeting of shareholders:</p> <p>(i) Where the subject of the said proposal cannot be settled or resolved by a resolution to be adopted at a Shareholders' Meeting;</p> <p>(ii) Where the number of shares of the company in the possession of the shareholder making the said proposal is less than one percent (1%) of the total number of outstanding shares at the time when the share transfer registration is suspended by the company; or</p> <p>(iii) Where the said proposal is submitted on a day beyond the deadline fixed and announced by the company for accepting shareholders' proposals.</p> <p><u>(IV) Where the said proposal contains more than 300 words or more than one matters in a single proposal.</u></p> <p>(d) The Company shall, prior to</p>	
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		<p>preparing and delivering the Shareholders' Meeting notice, inform, in writing, all the proposal submitting shareholders of the proposal screening results, and shall list in the Shareholders' Meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the Meeting, the cause of exclusion of such proposals and explanation shall be made by the board of Directors at the Shareholders' Meeting to be convened.</p> <p>(e) <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></p>	
78	<p>(A) A Director may be discharged at any time by a Special Resolution (Taiwan). If a Director is discharged during the term of his/her office as a director without good cause, such Director may make a claim against the Company for any and all damages sustained by him/her as a result of such</p>	<p>(A) A Director may be discharged at any time by a special resolution (Taiwan) adopted at a Shareholders' Meeting. If a Director is discharged during the term of his/her office as a Director without good cause, such Director may make a claim against the Company for</p>	<p>Revision has been made in line with the Company Act and the Checklist of Shareholders Rights</p>

	<p>discharge.</p> <p>(B) If it is resolved at a general meeting held prior to the expiration of the term of the existing Directors that all Directors will be re-elected with effect immediately after the adoption of such resolution (the “Appointment”), unless otherwise resolved at such general meeting, the term of the existing Directors shall be deemed to have expired immediately prior to the Appointment. Such resolution made in the general meeting shall be attended by the Members who represent more than one-half of the total number of issued Shares.</p>	<p>any and all damages sustained by him/her as a result of such discharge.</p> <p>(B) Where all Directors of a company are re-elected, prior to the expiration of the term of office of existing Directors, and in the absence of a resolution that existing Directors will not be discharged until the expiry of their present term of office, all existing Directors shall be deemed discharged in advance. The aforesaid re-election shall be attended by shareholders who represent more than one-half of the total number of issued and outstanding shares.</p>	<p>Protection with respect to Foreign Issuer's Place of Incorporation.</p>
<p>94</p>	<p>1. A person shall not be qualified to hold office as a Director if any of the situations set forth in (a) through (h) below applies to such Person. In addition, the office of Director shall be vacated, if Director:</p> <p>(a) committed a felony (including but not limited to the crimes stipulated in the R.O.C “Organized Crime Prevention Act”) and has been adjudicated guilty by a final judgment, and the time elapsed after he/she has served the full term of the sentence is less than 5 years;</p> <p>(b) has been sentenced to imprisonment for a term of more than one year for commitment of fraud, breach of trust or misappropriation, and the time elapsed after he/she</p>	<p>A person is of the following situations (a) through (h) shall not be charged with a position of a Director, and the office of a Director shall be vacated, if the Director:</p> <p>(a) Committed a felony (including but not limited to a crime as set forth in the Organized Crime Prevention Act of R.O.C.) and has been adjudicated guilty by a final judgment, and the time elapsed <u>after he/she has been waiting for serving his/her term, or he/she has still been serving his/her term, or he/she has served the full term of the sentence, or his/her probation period has been passed or he/she has been remitted</u> is less than five years;</p>	<p>Revision has been made in line with the Company Act and the Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation.</p>

<p>has served the full term of such sentence is less than 2 years;</p> <p>(c) has been adjudicated guilty by a final judgment for misappropriating company or public funds during the time of his/her public service, and the time elapsed after he/she has served the full term of such sentence is less than 2 years;</p> <p>(d) has been adjudicated to be bankrupt and not to be reinstated, or makes any arrangement or composition with his/her creditors;</p> <p>(e) has been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet;</p> <p>(f) incapacity or partial incapacity;</p> <p>(g) resigns his/her office by notice in writing to the Company;</p> <p>(h) is removed from office by Special Resolution (Taiwan).</p>	<p>(b) Has been <u>sentenced</u> to imprisonment for a term of more than one year for committing fraud, breach of trust or misappropriation, and the time elapsed <u>after he/she has been waiting for serving his/her term, or he/she has still been serving his/her term, or he/she has served the full term of the sentence, or his/her probation period has been passed or he/she has been remitted</u> is less than 2 years;</p> <p>(c) Committed a crime as set forth in the Anti-Corruption Act and has been adjudicated <u>guilty</u> by a final judgment, and the time elapsed <u>after he/she has been waiting for serving his/her term, or he/she has still been serving his/her term, or he/she has served the full term of the sentence, or his/her probation period has been passed or he/she has been remitted</u> is less than 2 years;</p> <p>(d) Has been adjudicated bankrupt <u>or has begun liquidation proceedings as ordered by a court</u>, and has not yet had his/her rights re-instated.</p> <p>(e) Has been dishonored for unlawful use of credit instruments, and the term of such sanction has not yet expired;</p> <p>(f) Loses all or part of his/her legal capacity;</p>	
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		<p>(g) <u>Has been subject to the commencement of assistance and those orders have not yet been revoked;</u></p> <p>(h) Resigns his/her office by notice in writing to the Company;</p> <p>(i) Has been discharged at any time by a special resolution (Taiwan) adopted at a Shareholders' Meeting.</p>	
94A	<p>A) A Director or Supervisor will be automatically discharged if, during his/her/its tenure, such Director or Supervisor transfers more than one half of the Shares held by him/her/it at the time of election; a Director or Supervisor will also be automatically discharged if the aggregated number of Shares transferred by such Director or Supervisor prior to and after the amendment of these Articles is more than one half of the Shares held by him/her/it at the time of election.</p> <p>(B) If, after he/she/it is elected, a Director or Supervisor transfers more than one half of the Shares held by him/her at the time of election before he/she/it assumes office, or transfers more than one half of the total number of Shares held by him/her/it during the period prior to the general meeting where share transfer registration is suspended, the election of such Director or Supervisor shall become invalid.</p>	<p>(A) A Company Director (<u>except for any Independent Directors</u>) or a Supervisor during his/her term of office having transferred to any person more than one half of the total number of shares that he/she held on the date of commencement of his/her term of office shall be vacated automatically. If the shares newly transferred after these Articles have been amended plus the shares transferred before the amendment of these Articles have become more than one half of the total number of shares that he/she held on the date of commencement of his/her term of office shall also be vacated automatically.</p> <p>(B) If prior to the date of commencement of term of office of a Director (<u>except for any Independent Directors</u>) or a Supervisor, any person elected as a Director or a Supervisor at a general meeting transfers</p>	<p>Revisions have been made in line with the Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation.</p>

		<p>more than one half of the total number of shares that he/she held either at the time of the relevant general meeting or during the book closed period of the relevant general meeting, his/her appointment as a Director shall become null and void.</p>	
100	<p>(A) A Director who has a personal interest in the matter under discussion at a Board meeting shall disclose and explain to the Board at such Board meeting the essential contents of such personal interest.</p> <p>(B) A Director who has personal interest in the matter under discussion at a Board meeting which may impair the interests of the Company shall refrain from voting on such matter in the Board meeting or exercising voting right on such matter by himself/herself or on behalf of another Director in the said Board meeting. The voting right of such Director who cannot vote or exercise any voting right as prescribed above shall not be counted in the number of votes of Directors present at the Board meeting.</p>	<p>(A) If a Director has a personal interest in the matter under discussion at the Meeting, the Director shall state the important aspects of the interested party relationship at the respective meeting.</p> <p><u>(B) Where the spouse, a blood relative within the second degree of kinship of a Director, or any company which has a controlling or subordinate relation with a Director has interests in the matters under discussion in the Meeting of the preceding paragraph, such Director shall be deemed to have a personal interest in the matter.</u></p> <p>(C) A Director who has a personal interest in the matter under discussion at a meeting, which may impair the interest of the company, shall not vote nor exercise the voting right on behalf of another Director. In passing a resolution at a Shareholders' Meeting, shares of a Director having no rights to vote or for which voting rights cannot be exercised as provided in the preceding paragraph shall not be</p>	<p>Revision has been made in line with the Company Act and the Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation.</p>

		counted in the number of votes of Directors present at the Meeting.	
114	5. Supervisors shall supervise the execution of business operations of the Company, and may at any time or from time to time investigate the business and financial conditions of the Company, examine the accounting books and documents, and request the Directors or officers to produce reports thereon. In performing their duties under this Article, the Supervisors may appoint, on behalf of the Company, practicing lawyer(s) and independent accountant(s) to conduct the examination.	Supervisors shall supervise the execution of business operations of the Company, and may at any time or from time to time investigate the business and financial conditions of the company, inspect, <u>transcribe or make copies of</u> the accounting books and documents, and request the board of Directors or managerial personnel to make reports thereon. In performing their functional duties under this Paragraph, the Supervisors may appoint, on behalf of the Company, a practicing lawyer and a certified public accountant to conduct the examination.	Revision has been made in line with the Company Act and the Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation.
117	7. (A) Subject to the Cayman Islands law, Member(s) who has/have been continuously holding 3 percent or more of the total number of the issued Shares of the Company for over one year may request in writing the Supervisors of the Company to institute, for and on behalf of the Company, an action against Director(s) of the Company; such action may be instituted in the Taipei District Court as the court of jurisdiction in the first instance. (B) In case the Supervisors fail to institute an action within 30 days after having received the request made under the preceding paragraph, subject to	(A) Except otherwise provided in Cayman laws, shareholders who have been continuously holding more than <u>one</u> percent of the total number of outstanding shares issued by the company for a period over <u>six months</u> , may in writing request the Supervisors to bring action against the Directors in the name of the Company. For this purpose, the Taiwan Taipei District Court may be the court of competent	Revision has been made in line with the Company Act and the Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation.

<p>the Cayman Islands Law, the Members filing such request under the preceding paragraph may institute the action for and on behalf of the Company; such action may be instituted in the Taipei District Court as the court of jurisdiction.</p> <p>(C) In the event that the Company establishes the Audit Committee, the requests to be directed to the Supervisors specified in the preceding two paragraphs shall be directed to the Independent Director who serves as the member of the Audit Committee.</p>	<p>jurisdiction for the first instance.</p> <p>(B) If the Supervisor failed to bring such action within thirty days after the request by the Shareholder, such Shareholder may bring the action in a court of competent jurisdiction in the name of the Company unless otherwise provided in the laws of Cayman Islands. For this purpose, the Taiwan Taipei District Court may be the court of competent jurisdiction.</p> <p>(C) Where the Company has an audit committee in place, the requests as mentioned in the preceding two paragraphs shall be brought up to an independent Director member of the Audit Committee instead of a Supervisor.</p> <p>(D) Subject to the condition that the board of Directors does not or is unable to convene a meeting of shareholders, the Supervisors or the independent Director members of the Audit Committee may, for the benefit of the company, call a meeting of shareholders when it is deemed necessary.</p>	
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<p>123</p>	<p>(A) Subject to the Companies Law and these Articles, for so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, dividend or bonuses, except for compensation to employees and remuneration of Directors and Supervisors, may only be declared in NTD.</p> <p>(B) As the Company is currently in the developing stage and will need funds for operating in the coming years, the distribution of Surplus Earnings shall be conducted according to Article 124.</p>	<p>(A) In accordance with the Company Act of Cayman Islands and the provisions of these Articles, during the period when the stocks of the Company are traded in the emerging stock market, or in the TPEX or in the TWSE, distribution of the dividends and bonuses shall be made with New Taiwan Dollars, but the provision shall not be applicable to the compensation for the employees, Directors and Supervisors.</p> <p>(B) Given that the Company is now in its progress of growth and the need for additional operational funds is expected for the coming years, allocation of surplus earnings shall be performed in accordance with the provisions set forth in Article 124.</p> <p><u>(C) The Company shall explicitly provide for in its Articles of Incorporation that the surplus earning distribution or loss off-setting proposal may be proposed at the close of each quarter or each half fiscal year.</u></p> <p><u>(D) The proposal of surplus earning distribution or loss off-setting for the first three quarters or half fiscal year, together with the business report and financial statements, shall be forwarded to Supervisors for their</u></p>	<p>Paragraphs (C) through (G) are supplemented corresponding to the Company Act and the Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation.</p>
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auditing, and afterwards be submitted to the board of Directors for approval.

(E) The Company distributing surplus earning in accordance with the provisions of the preceding paragraph shall estimate and reserve the taxes and dues to be paid, the losses to be covered and the legal reserve to be set aside. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply.

(F) Where the Company intends to distribute surplus earning in the form of new shares to be issued by the company in accordance with the provisions of Paragraph (D), the resolution shall be adopted by a majority vote at a meeting of shareholders attended by shareholders representing two-thirds or more of the total number of the outstanding shares of the company. If the total number of shares represented by shareholders present at a Shareholders' Meeting is not sufficient to meet the criteria specified in the preceding paragraph, the resolution may be adopted by two-thirds of the votes of the shareholders present at a Shareholders' Meeting attended by shareholders representing a majority of the total number

		<p><u>of the outstanding shares of the company. If such surplus earning is distributed in the form of cash, it shall be approved by a meeting of the board of Directors.</u></p> <p><u>(G) Surplus earning distribution or loss off-setting proposal by a public company in accordance with the provisions of the preceding four paragraphs shall be made based on the financial statements audited or reviewed by a certified public accountant.</u></p>	
137	<p>The Board of Directors shall keep at the Office and at the office of its Members' Service Agent in Taiwan copies of the Memorandum and Articles, the minutes of every meeting of the Members and the financial statements, the Register and the counterfoil of corporate bonds issued by the Company. Any Member of the Company may request, by submitting evidentiary document(s) to show his/her interests involved and indicating the scope of interested matters, an access to inspect and to make copies of any such accounting books and records.</p>	<p><u>(A) The Board of Directors shall keep at places of business and at the office of its Shareholders' Service Agent in Taiwan copies of these articles of incorporation, the minutes of every meeting of the Shareholders and the financial statements, the Register of Members and the counterfoil of corporate bonds issued by the Company. Any shareholder and any creditor of the Company may request at any time, by submitting evidentiary document(s) to show his/her interests involved and indicating the scope of interested matters, an access to inspect, transcribe or to make copies and the Company shall the make Stock Transfer Agency furnish the same.</u></p> <p><u>(B) The board of Directors or</u></p>	<p>Revision has been made in line with the Company Act and the Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation.</p>

		<u>other authorized conveners of Shareholders' Meetings may require the Company or its shareholder service agent to provide with the roster of shareholders.</u>	
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Comparison table for the revision of the

“Procedures for Acquisition or Disposal of Assets”

Original Provisions	Amended Articles	Explanation
<p>Article 2. Scope and Applicable Objects</p> <p>Paragraph 1. Scope: Negotiable securities, real estate (including land, houses and buildings, investment property, <u>land access</u>)and equipment, memberships, various intangible assets, claims of financial institutions, financial derivatives, and assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law as set forth in Article 3 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies of Taiwan are all the applicable objects.</p>	<p>Article 2. Scope and Applicable Objects</p> <p>Paragraph 1. Scope: Negotiable securities, real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment, memberships, various intangible assets, <u>right-of-use assets</u>, claims of financial institutions, financial derivatives, and assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with the law as set forth in Article 3 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies of Taiwan are all the applicable objects.</p>	<p>Revisions made in line with ordinances</p>
<p>Article 3-1 Description</p> <p>Paragraph 1. The Company and its affiliated companies shall jointly hold the majority of the shares with voting rights or the total amount of the capital of <u>Fresh Fruit Juice</u></p>	<p>Article 3-1 Description</p> <p>Paragraph 1. The Company and its affiliated companies shall jointly hold the majority of the shares with voting rights or the total amount of the capital of <u>Fresh Fruit Juice Co.,</u></p>	

<p><u>Industry (Kunshan) Co., Ltd.</u>, either directly or indirectly.</p>	<p><u>Ltd.</u>, either directly or indirectly.</p>	
<p>Article 4 Operating Procedure Paragraph 1. The Company may acquire, dispose of or hold various assets as set forth therein while the <u>long- and short-term security investment</u>, real estate and <u>equipment and intangible assets</u> it holds shall be subject to the following amount limits. Where the Company's investment exceeding any of the provided limits, the proposal for any further acquisition shall be submitted to the board of Directors for approval.</p> <p><u>I. For long- and short-term security investment, real estate for non-business purposes, equipment, and intangible assets, the amount invested shall not be more than 50% of the net value of the Company.</u></p> <p><u>II. For long-term security investment</u>, the amount invested shall not be more than <u>40%</u> of the net value of the Company, and for single long-term security investment, the limit shall be <u>15%</u>.</p> <p><u>III. For short-term security investment, the amount invested shall not be more than 20% of the net value of the Company, and for single</u></p>	<p>Article 4 Operating Procedure Paragraph 1. The Company may acquire, dispose of or hold various assets as set forth therein while the <u>security investment</u>, real estate, <u>for non-business purposes</u> and <u>the related right-of-use assets</u> that it holds shall be subject to the following amount limits. Where the Company's investment exceeding any of the provided limits, the proposal for any further acquisition shall be submitted to the board of Directors for approval.</p> <p><u>I. For security investment</u>, the amount invested shall not be more than <u>60%</u> of the net value of the Company, and for single security investment, the limit shall be <u>30%</u>.</p> <p><u>II. For real estate for non-business purposes and the related real estate</u>, the amount invested shall not be more than <u>20%</u>, and for single real estate <u>for non-business purposes and the related real estate</u>, the limit shall be <u>10%</u>.</p>	

short-term security investment, the limit shall be 5%.

IV. For real estate for non-business purposes, equipment, and intangible assets, the amount invested shall not be more than 20% of the net value of the Company, and for single real estate for non-business purposes, other fixed assets and intangible assets, the limit shall be 10%.

Paragraph 2. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall not be a related party.

Paragraph 2. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of the Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime.

However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.

II. May not be a related party or de facto related party of any party to the transaction.

<p>Paragraph 3. Procedures for Acquisition or Disposal of Real Estate or Equipment</p> <p>II. Procedures for Determining Transaction Terms and Authorization Limit</p> <p>1. Transaction terms and prices for acquisition or disposal of real property shall be referred to the appraisal value, actual transaction <u>prices</u> of neighboring real estate and others.</p> <p>2. The acquisition or disposal of</p>	<p><u>III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</u></p> <p><u>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</u></p> <p><u>I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</u></p> <p><u>II. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</u></p> <p><u>III. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the</u></p>	
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<p>equipment shall be based on inquiry, parity, negotiation or tender.</p> <p>Acquisition amounting to no more than NTD. 50 million (inclusive) shall be approved by the General Manager, acquisition amounting between NTD. 50 million and NTD. 100 million shall be approved by the President, and acquisition amounting over NTD. 100 million shall be approved by the board of Directors before being performed.</p> <p>When <u>equipment is acquired by or disposed of</u> by the Company from or to its parent company <u>or its subsidiaries for business purposes</u>, the Board of Directors may authorize the Chairperson to approve transactions within the limit of NTD. 300 million in advanced and ratify in the next following Board meeting.</p> <p>3. The Company's acquisition or disposal of assets shall be approved by the board of Directors in accordance with the <u>established</u></p>	<p><u>opinion.</u></p> <p><u>IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.</u></p> <p>Paragraph 3. Procedures for Acquisition or Disposal of Real Estate or Equipment</p> <p>II. Procedures for Determining Transaction Terms and Authorization Limit</p> <p>1. Transaction terms and prices for acquisition or disposal of real property shall be referred to the appraisal value, actual transaction <u>prices</u> of neighboring real estate and others.</p> <p>2. The acquisition or disposal of equipment shall be based on inquiry, parity, negotiation or tender.</p> <p>Acquisition amounting to no more than NTD. 50 million (inclusive) shall be approved by the General Manager, acquisition amounting between NTD. 50 million and NTD.</p>	
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<p>procedure and other provisions of the laws.</p> <p>IV. Appraisal Report for Real Estate or Equipment</p> <p>1. Except for transactions with government institutions, contracting third parties to construct on land owned or rented by the Company, or acquisition of <u>machine</u> equipment for operating purposes, for acquisition or disposal of real estate or equipment by the Company whose amount reaches 20% of the Company's paid-in capital or NTD. 300 million, an appraisal report issued by a professional appraiser shall be obtained prior to the Date of the Event and the following provisions should be complied with:</p> <p>(1) If for any special reason, restricted price, specific price, or special price must be used as a reference for the transaction price, the transaction should be approved by the board of Directors in advance. <u>The above procedures should also be followed</u> in case the transaction terms are changed <u>subsequently</u></p> <p>Paragraph 4. Procedures for the Acquisition or Disposal of Securities</p>	<p>100 million shall be approved by the President, and acquisition amounting over NTD. 100 million shall be approved by the board of Directors before being performed. When any of the following transactions happening between the Company and its parent company, its subsidiaries <u>or a subsidiary in which the Company holds 100% issued shares or the amount of capital, either directly or indirectly</u>, the Board of Directors may authorize the Chairperson to approve transactions within the limit of NTD. 300 million in advanced and ratify in the next following Board meeting:</p> <p><u>(1) Acquiring or disposing of equipment or its right-of-use assets for business use.</u></p> <p><u>(2) Acquiring or disposing of the right-of-use assets of real estate for business use.</u></p> <p>3. Where the Company's acquisition or disposal of assets shall be approved by the board of Directors in accordance with the <u>established</u> procedures and other provisions of the laws.</p> <p>IV. Appraisal Report for Real Estate or Equipment</p> <p>1. In acquiring or disposing real</p>	
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<p>II. Procedures for Determining Transaction Terms and Authorization Limit</p> <p>3. The Company's acquisition or disposal of assets shall be approved by the board of Directors in accordance with the established procedure and other provisions of the laws</p> <p>Paragraph 5. Procedures for Related Party Transactions</p> <p>I. Where acquiring assets from or disposing of assets to a related party, the Company in addition to handling the real estate transaction in accordance with the provisions set forth <u>in Article 4-3</u></p> <p>II. Evaluation and Operating Procedures</p> <p>1. In the event that the Company acquires or disposes of real estate or other fixed assets with a related party, which amount reaches 20% of the Company's paid-in capital or 10% of total assets or NTD. 300 million, unless in trading of government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic Securities Investment Trust Enterprises' money market funds, may not proceed with the agreement and payment until the</p>	<p>property, equipment <u>or its right-of-use assets</u> where the transaction amount reaches twenty percent of the Company's paid-in capital or NTD. 300 million, the Company, unless transacting with a Taiwan government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of business machinery and equipment, shall obtain an appraisal report before the date of occurrence from an expert appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances it is necessary to give a restrictive price or specified price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board, and <u>the same procedure</u> shall be followed for <u>any future</u> changes to the terms and conditions of the transaction.</p> <p>Paragraph 4. Procedures for the Acquisition or Disposal of Securities</p> <p>II. Procedures for Determining Transaction Terms and Authorization Limit</p> <p>3. The Company's acquisition or</p>	
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<p>following matters have been approved by the board of Directors and acknowledged by Supervisors:</p> <p>(3) In acquiring or disposing of real property from a related party the relevant information regarding appraisal of the reasonableness of the preliminary transaction terms shall be evaluated in accordance with the provisions of Article 4-5-3-1.</p> <p>III. Evaluation of reasonableness of transaction costs</p> <p>1. Where the Company acquires real estate from a related party, it shall evaluate the reasonableness of the transaction costs by the following means:</p> <p>2. Where land and structures thereupon are combined as a single property purchased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.</p> <p>3. The Company that acquires real estate from a related party and appraises the cost of the real property in accordance with the provisions of</p>	<p>disposal of assets shall be approved by the board of Directors in accordance with the <u>established</u> procedure and other provisions of the laws</p> <p>Paragraph 5. Procedures for Related Party Transactions</p> <p>I. Where acquiring assets from or disposing of assets to a related party, the Company in addition to handling the real estate transaction in accordance with the provisions set forth in Article 4(3)</p> <p>II. Evaluation and Operating Procedures</p> <p>1. In the event that the Company acquires or disposes of real estate <u>or its right-of-use assets</u> or other fixed assets <u>or its right-of-use assets</u> with a related party, which amount reaches 20% of the Company's paid-in capital or 10% of total assets or NTD. 300 million, unless in the trading of <u>Taiwan</u> government bonds or bonds under re-purchase and re-sale agreements, or subscription or redemption of domestic Securities Investment Trust Enterprises' money market funds, may not proceed with the agreement and payment until the following matters have been approved by the board of Directors</p>	
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<p>Article 4-5-3-1 and Article 4-5-3-2 shall also engage a CPA to check the appraisal and render a specific opinion.</p> <p>4. When the results of Company's appraisal on the real estate it obtained from a related party conducted in accordance with the provisions of Article 4-5-3-1 are uniformly lower than the transaction price, the matter shall be handled in compliance with the provisions of Article 4-5-3-5. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:</p> <p>(1) Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:</p> <p>b. <u>Completed</u> transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where</p>	<p>and acknowledged by Supervisors:</p> <p>(3) In acquiring or disposing real property <u>or its right-of-use assets</u> from a related party the relevant information regarding appraisal of the reasonableness of the preliminary transaction terms shall be evaluated in accordance with the provisions of Article 4-5-3-1 and Article 4(5)3-4.</p> <p>III. Evaluation of reasonableness of transaction costs</p> <p>1. Where the Company acquires real estate <u>or its right-of-use assets</u> from a related party, it shall evaluate the reasonableness of the transaction costs by the following means:</p> <p>2. Where land and structures thereupon are combined as a single property <u>purchased or leased</u> in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.</p> <p>3. The Company that acquires real estate <u>or its right-of-use assets</u> from a related party and appraises the cost of the real property <u>or its right-of-use assets</u> in accordance with the provisions of Article</p>	
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<p>the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market practices.</p> <p><u>c. Completed leasing transactions by unrelated parties for other floors of the same property from within the preceding year, where the transaction terms are similar after calculation of reasonable price discrepancies among floors in accordance with standard property leasing market practices.</u></p> <p>(2) Where the Company acquiring real estate from a Related Party provides evidence that the terms of the transaction are similar to the terms of transactions completed for the acquisition of neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. Completed transactions for neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for</p>	<p>4-5-3-1 and Article 4-5-3-2 shall also engage a CPA to check the appraisal and render a specific opinion.</p> <p>4. When the results of Company's appraisal on the real estate <u>or its right-of-use assets</u> it obtained from a related party conducted in accordance with the provisions of Article 4-5-3-1 are uniformly lower than the transaction price, the matter shall be handled in compliance with the provisions of Article 4-5-3-5. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:</p> <p>(1) Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:</p> <p>b. Completed <u>transaction</u> cases by unrelated parties for other floors of the same property from within the preceding year, where the transaction terms are similar after calculation of reasonable price</p>	
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<p>similarly sized parcels in principle refers to transactions <u>completed</u> by unrelated parties for parcels with a land area of no less than 50% of the property in the planned transaction, within one year refers to one year from the actual date of acquisition of the real estate.</p> <p>5. Where the Company acquires real estate from a Related Party and the results of appraisals conducted in accordance with the provisions of Article 4-5-3-1 and Article 4-5-3-2 are uniformly lower than the transaction price, the following steps shall be taken.</p> <p>(1) A special reserve shall be set aside in accordance with the applicable laws, rules, and regulations against the difference between the real estate transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares.</p> <p>(4) The Company that has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it has purchased at a premium,</p>	<p>discrepancies among floors in accordance with standard property transaction <u>or leasing</u> market practices.</p> <p>(Repealed)</p> <p>(2) Where the acquisition of real property <u>or its right-of-use assets through leasing of</u> real property from a related party provides evidence that the terms of the transaction are similar to the terms of transactions completed for the acquisition of neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. Completed transactions for neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than fifty percent of the property in the planned transaction; within one year</p>	
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<p>or they have been disposed of, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and got the competent authority's consent.</p> <p>(5) When <u>a company listed in Taiwan</u> obtains real estate from a related party, it shall also comply with the provisions of the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arm's length transaction.</p> <p>6. Where the Company acquires real estate from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the provisions of Article 4(5)1 and Article 4(5)2 and the provisions of Article 4-5-3-1, 2, 3 related to evaluation of reasonableness of transaction do not apply:</p> <p>(1) The Related Party acquired the real estate through inheritance or as a gift.</p> <p>(2) More than five years will have elapsed from the time the Related</p>	<p>refers to one year from the actual date of acquisition of the real property <u>or its right-of-use assets</u>.</p> <p>5. Where the Company acquires real property <u>or its right-of-use assets</u> from a related party and the results of appraisals conducted in accordance with the provisions of Article 4-5-3-1 and 4-5-3-2 are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>(1) A special reserve shall be set aside against the difference between the real property <u>or its right-of-use asset</u> transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares.</p> <p>(4) Where the Company has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased <u>or leased</u> at a premium, or they have been disposed of, <u>or the leased has been terminated</u>, or adequate compensation has been made, or the status quo ante has been restored, or there is other</p>	
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<p>Party signed the contract to obtain the real estate to the signing date for the current transaction</p> <p>7. When the Company obtains real estate from a related party, it shall also comply with the provisions of Article 4-5-3-5 if there is other evidence indicating that the acquisition was not an arm's length transaction.</p> <p>Paragraph 6. The procedures for acquisition or disposal of intangible assets</p> <p>II. Procedures for Determining Transaction Terms and Authorization Limit</p> <p>2. The Company's acquisition or disposal of assets shall be approved by the board of Directors in accordance with the established procedure and other provisions of the laws</p> <p>IV. Expert Evaluation Opinion Report on Intangible Assets</p> <p>2. Except for transactions with</p>	<p>evidence confirming that there was nothing unreasonable about the transaction, and the competent authority for securities has given its consent.</p> <p>(5) When <u>the Company</u> obtains real estate <u>or its right-of-use assets</u> from a related party, it shall also comply with the provisions of the preceding paragraphs if there is other evidence indicating that the acquisition was not an arm's length transaction.</p> <p>6. Where the Company acquires real estate <u>or its right-of-use assets</u> from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with the provisions of Article 4(5)1 and Article 4(5)2 and the provisions of Article 4-5-3-1, 2, 3 related to evaluation of reasonableness of transaction do not apply:</p> <p>(1) Where the related party acquired the real estate <u>or its right-of-use assets</u> through inheritance or as a gift.</p> <p>(2) Where more than five years will have elapsed from the time the related party signed the contract to obtain the real estate <u>or its right-of-use assets</u> to the signing</p>	
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<p>government institutions, if the Company's acquisition or disposal of membership or intangible assets reaches 20% of the Company's paid-in capital or NTD. 300 million, opinions in respect of a rational transaction price shall be sought from certified public accountant prior to the Date of the Event. Certified public accountant shall handle the matter in accordance with the provisions of Auditing Standard No. 20 published by the ARDF.</p> <p>Article 8. Procedures for the Acquisition or Disposal of Derivatives</p> <p>I. Trading Principles and Strategies</p> <p>3. Responsibilities</p> <p>(1) Finance Division</p> <p>d. Authorization for Derivatives</p> <p>(c) The Company's acquisition or disposal of assets shall be approved by the board of Directors in accordance with the <u>established</u> procedure and other provisions of the laws.</p> <p>II. Risk Management Measures</p> <p>5. Operating Risk Management</p> <p>(4) The positions for the Derivative Products transaction shall be evaluated at least once a month,</p>	<p>date for the current transaction.</p> <p><u>(4) Where the right-of-use assets related to real estate for business use is obtained by the Company from its parent company, its subsidiaries or a subsidiary in which the Company holds 100% issued shares or the amount of capital, either directly or indirectly. (New)</u></p> <p>7. When the Company obtains real estate <u>or its right-of-use assets</u> from a related party, it shall also comply with the provisions of Article 4-5-3-5 if there is other evidence indicating that the acquisition was not an arm's length transaction.</p> <p>Paragraph 6. The procedures for acquisition or disposal of intangible assets</p> <p>II. Procedures for Determining Transaction Terms and Authorization Limit</p> <p>2. The Company's acquisition or disposal of assets shall be approved by the board of Directors in accordance with the <u>established</u> procedure and other provisions of the laws</p> <p>IV. Expert Evaluation Opinion Report on Intangible Assets</p> <p>2. Except for transactions with <u>Taiwan</u> government</p>	
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<p>except where business needs dictates that such evaluation shall be made twice a month. The evaluation report thereof shall be <u>submitted</u> to an executive manager authorized by the board of Directors.</p> <p>III. Internal Audit System</p> <p>The internal audit staffs shall periodically be familiarized with the sufficiency of the internal audit with respect to the derivative products transactions and shall conduct an audit, on a monthly basis, on the trading department to check on its compliance with the Procedures, analyze the transactional cycle and produce an audit report. If a material violation is discovered, the Supervisors shall be notified in writing.</p> <p>IV. Regular Evaluation Methods</p> <p>1. The board of Directors shall authorize executive managers to periodically monitor and evaluate the derivative products transactions to ensure that they are in conformity with the Procedures <u>set</u> by the Company</p>	<p>institutions, if the Company's acquisition or disposal of intangible assets <u>or its right-of-use assets</u> reaches 20% of the Company's paid-in capital or NTD. 300 million, opinions in respect of a rational transaction price shall be sought from certified public accountant <u>prior to the Date of the Event</u>. Certified public accountant shall handle the matter in accordance with the provisions of Auditing Standard No. 20 published by the ARDF.</p> <p>Article 8. Procedures for the Acquisition or Disposal of Derivatives</p> <p>I. Trading Principles and Strategies</p> <p>3. Responsibilities</p> <p>(1) Finance Division</p> <p>d. Authorization for Derivatives</p> <p>(c) The Company's acquisition or disposal of assets shall be approved by the board of Directors in accordance with the <u>established</u> procedure and any provisions of the laws</p> <p>II. Risk Management Measures</p> <p>5. Operating Risk Management</p> <p>(4) Derivatives trading positions held shall be evaluated at least once per week, and a bi-weekly report shall</p>	
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<p>2. The positions for the Derivative Products transaction shall be evaluated at least once a month, except where business needs dictate that such evaluation shall be made twice a month. The evaluation report thereof shall be <u>submitted</u> to an executive manager authorized by the board of Directors.</p> <p>V. The principles of Supervisory and management for the board of Directors to follow when engaging in derivatives trading</p> <p>1. (1) The Company shall periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with the Guidelines and the procedures for engaging in derivatives trading <u>formulated</u> by the Company.</p>	<p>be prepared in connection with the transactions entered into for hedging purpose for the executives authorized by the board of Directors to review.</p> <p>III. Internal Audit System</p> <p>1. The internal audit staffs shall periodically be familiarized with the sufficiency of the internal audit in respect of the derivative products transactions and shall conduct an audit, on a monthly basis, on the trading department to check on its compliance with the Procedures, analyze the transactional cycle and produce an audit report. If a material violation is discovered, the Supervisors shall be notified in writing.</p> <p>2. <u>Where the Company has independent Directors in place, the notice as mentioned in the preceding paragraph shall be brought up to the independent Directors in writing in addition to the Supervisors.</u></p> <p>IV. Regular Evaluation Methods</p> <p>1. The board of Directors shall authorize executive managers to periodically monitor and evaluate the derivative products transactions to ensure that they are in conformity with the Procedures <u>set</u> by the</p>	
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	<p>Company.</p> <p>2. The hedging positions for the Derivative Products transaction shall be evaluated at least once a month, except where business needs dictates that such evaluation shall be made twice a month. The evaluation report thereof shall be submitted to an executive manager authorized by the board of Directors.</p> <p>V. The principles of Supervisory and management for the board of Directors to follow when engaging in derivatives trading</p> <p>1. (1) The measures of risk management shall be evaluated periodically for whether they are appropriate and whether they are in conformity with the Procedures for Transactions of Derivative Products <u>set</u> by the Company.</p>	
<p>Article 2. Scope and Applicable Objects</p> <p>Paragraph 1. Scope: Negotiable securities, real estate (including land, houses and buildings, investment property, <u>land access</u>)and equipment, memberships, various intangible assets, claims of financial institutions, financial derivatives, and assets acquired or disposed of in connection with mergers, demergers,</p>	<p>Article 2. Scope and Applicable Objects</p> <p>Paragraph 1. Scope: Negotiable securities, real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment, memberships, various intangible assets, <u>right-of-use assets</u>, claims of financial institutions, financial</p>	

<p>acquisitions, or transfer of shares in accordance with law as set forth in Article 3 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies of Taiwan are all the applicable objects.</p>	<p>derivatives, and assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with the law as set forth in Article 3 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies of Taiwan are all the applicable objects.</p>	
<p>Article 3-1 Description Paragraph 1. The Company and its affiliated companies shall jointly hold the majority of the shares with voting rights or the total amount of the capital of <u>Fresh Fruit Juice Industry (Kunshan) Co., Ltd.</u>, either directly or indirectly.</p>	<p>Article 3-1 Description Paragraph 1. The Company and its affiliated companies shall jointly hold the majority of the shares with voting rights or the total amount of the capital of <u>Fresh Fruit Juice Co., Ltd.</u>, either directly or indirectly.</p>	

Comparison table for the revision of the “Regulations for Management of Lending Funds to Other Parties”

Original Provisions	Amended Articles	Explanation
<p>Article 7 Duration of loans and calculation of interest</p> <p>Paragraph 1. The term of each loan extended by the Company and its Subsidiaries shall not exceed one (1) year in principle. In the event of inter-company loan of funds between foreign companies in which the Company holds, directly or indirectly, 100% of the voting shares is no subject to the one-year term but the amount and term of such a load shall be set clearly, in which the term shall not last longer than <u>3</u> years.</p>	<p>Article 7 Duration of loans and calculation of interest</p> <p>Paragraph 1. The term of each loan extended by the Company and its Subsidiaries shall not exceed one (1) year in principle. However, an inter-company loan of funds between foreign companies in which the Company holds, directly or indirectly, 100% of the voting shares is no subject to the one-year term but the amount and term of such a load shall be set clearly, in which the term shall not last longer than <u>6</u> years.</p>	<p>Depending on the practical operational needs of the Company</p>

Appendix I

Sunjuice Holdings Co., Ltd.

The Articles of Incorporation (before amendment)

THE COMPANIES LAW (AS AMENDED)

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED

MEMORANDUM & ARTICLES

OF

ASSOCIATION

OF

SUNJUICE HOLDINGS CO., LIMITED

(AMENDED BY SPECIAL RESOLUTION PASSED ON MAY 28, 2018)

THE COMPANIES LAW (AS AMENDED)

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED

MEMORANDUM OF ASSOCIATION

OF

SUNJUICE HOLDINGS CO., LIMITED

(Amended by Special Resolution Passed on MAY 28, 2018)

1. The name of the Company is Sunjuice Holdings Co., Limited (the “Company”).
2. The Registered Office of the Company will be situated at the offices of TMF (Cayman) Ltd, 2nd Floor, The Grand Pavilion Commercial Centre, 802 West Bay Road, P.O. Box 10338, Grand Cayman KY1-1003, Cayman Islands or at such other location as the Directors may from time to time determine.
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (as amended).
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 27(2) of the Companies Law (as amended).
5. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks & Trust Companies Law (as amended), or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Law (as amended), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Law (as amended).
6. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands. provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
7. The liability of the members is limited to the amount, if any, unpaid on the shares respectively held by them.
8. The capital of the Company is NT\$600,000,000 divided into 60,000,000 shares of a nominal or par value of NT\$10.00 each provided always that subject to the provisions of the Companies Law (as amended) and the Articles of Association the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or

otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

9. The Company may exercise the power contained in Section 206 of the Companies Law (as amended) to deregister in the Cayman Islands and be registered by way of continuation in some other jurisdiction.

THE COMPANIES LAW (AS AMENDED)

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED

ARTICLES OF ASSOCIATION

OF

SUNJUICE HOLDINGS CO., LIMITED

(Amended by Special Resolution Passed on MAY 3, 2017)

TABLE A

The Regulations contained or incorporated in Table 'A' in the First Schedule of the Companies Law (as amended) shall not apply to this Company and the following Articles shall comprise the Articles of Association of the Company:

INTERPRETATION

10. In these Articles the following defined terms will have the meanings ascribed to them, if not inconsistent with the subject or context:

"**Affiliated Company**" means with respect to any company, any other company that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such first company;

"**Applicable Listing Rules**" means the relevant laws, regulations, rules and code as amended, from time to time, applicable as a result of the original and continued trading or listing of any shares on the TSE or the GreTai Securities Market, the Emerging Stocks Market of the GreTai Securities Market, including, without limitation the relevant provisions of Company Act, Business Merger And Acquisition Act, Securities and Exchange Act, the Acts Governing Relations Between Peoples of the Taiwan Area and the Mainland Area, or any similar statute and the rules and regulations of the Taiwan authorities thereunder, and the rules and regulations promulgated by the Financial Supervisory Commission, the GreTai Securities Market or the TSE;

"**Articles**" means these articles of association of the Company, as amended or substituted from time to time;

"**Audit Committee**" means an Audit Committee as defined in these Articles and the Applicable Listing Rules;

"**Chairman**" has the meaning given thereto in Article 79;

"**Class**" or "**Classes**" means any class or classes of Shares as may from time to time be issued by the Company;

"**Commission**" means Financial Supervisory Commission of Taiwan;

"**Companies Law**" or "**Law**" means the Companies Law (as amended) of the Cayman Islands;

"**Constituent Company**" means an existing company that is participating in a Merger with one or more other existing companies within the meaning of the Law;

“Depository” means Taiwan Depository & Clearing Corporation;

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

“Director and Officer Insurance” has the meaning given thereto in Article 148;

"electronic" shall have the meaning given to it in the Electronic Transactions Law (as amended) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefore;

"electronic communication" means transmission to any number, address or internet website or other electronic delivery methods as otherwise decided and approved by not less than two-thirds of the vote of the Board;

"Emerging Market" means the emerging market board of GreTai Securities Market in Taiwan;

"GreTai Securities Market" means the GreTai Securities Market in Taiwan;

“Indemnified Person” has the meaning given thereto in Article 147;

"Independent Director" means a director who is an independent director as defined in the Applicable Listing Rules;

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

"Members’ Service Agent" means the agent licensed by Taiwan authorities to provide certain Members services in accordance with the Applicable Listing Rules to the Company;

“Memorandum of Association” means the memorandum of association of the Company as amended or substituted from time to time.

"Merger" means the merging of two or more Constituent Companies and the vesting of their undertaking, property and liabilities in one of such company as the Surviving Company within the meaning of the Law;

"Office" means the registered office of the Company as required by the Law;

"Ordinary Resolution" means a resolution passed by a simple majority of such Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of the Company and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Member is entitled;

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

“preferred Shares” has the meaning given thereto in Article 8;

“Realized Capital Reserve” and **“Capital Reserve”** means the realized capital reserve and the capital reserve as defined in the Applicable Listing Rules;

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

"Republic of China" or **"Taiwan"** means the Republic of China, its territories, its possessions and all areas subject to its jurisdiction;

“Retained Earnings” means all legal or special reserves of the earnings and the undistributed earnings, while excluding those has been resolved by the Board or the general meeting to be distributed to the Members;

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

"Share" means any share in the capital of the Company including a fraction of any share. All references to "Shares" herein shall be deemed to be Shares of any or all Classes as the context may require;

"Share Premium Account" means the share premium account established in accordance with these Articles, the Law and the Applicable Listing Rules;

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

“Special Resolution” means a special resolution of the Company passed in accordance with the Law, being a resolution passed by a majority of at least two-thirds of such Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a special resolution has been duly given;

"Special Resolution (Taiwan)" means (A) a resolution passed by Members, as being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting, such Members holding not less than half of the Shares held by all Members attending that meeting, and such meeting is attended by Members holding not less than two-thirds of all issued Shares of the Company; or (B) where the Members attending to the general meeting are holding less than two-thirds of all issued Shares of the Company entitled to vote, a resolution passed by Members, as being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting, such Members holding not less than two-thirds of the Shares held by all Members attending that meeting, and such meeting is attended by Members holding not less than half of all issued Shares of the Company;

"Spin-off" refers to an act wherein a transferor company transfers all of its independently operated business or any single independently operated business to an existing or a newly incorporated company as consideration for that existing transferee company or newly incorporated transferee company to issue new Shares or to transfer cash or other properties to the transferor company or to members of the transferor company;

“Supervisors” means a Supervisor as defined in these Articles and the Applicable Listing Rules;

"Surviving Company" means the sole remaining Constituent Company into which one or more other Constituent Companies are merged within the meaning of the Law and the Applicable Listing Rules;

“Treasury Shares” means the Share(s) repurchased by the Company, which has the meaning given thereto in Article 30; and

“TSE” means the Taiwan Stock Exchange.

11. In these Articles, save where the context requires otherwise;
 - (a) words importing the singular number shall include the plural number and vice versa;
 - (b) words importing the masculine gender only shall include the feminine gender;
 - (c) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not;

- (d) **"may"** shall be construed as permissive and **"shall"** shall be construed as imperative;
 - (e) references to a **"dollar"** or **"dollars"** or \$ is a reference to dollars of the United States; and
 - (f) references to a statutory enactment shall include reference to any amendment or re-enactment thereof for the time being in force.
12. Subject to the last two preceding Articles, any words defined in the Companies Law or the Applicable Listing Rules shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

PRELIMINARY

13. The business of the Company may be commenced as soon after incorporation.
14. The Office shall be at such address in the Cayman Islands as the Directors shall from time to time determine. The Company may in addition establish and maintain such other offices and places of business and agencies in such places as the Directors may from time to time determine.

SHARES

15. Subject as otherwise provided in these Articles, all Shares for the time being and from time to time unissued shall be under the control of the Directors, and may be re-designated, allotted or disposed of in such manner, to such persons and on such terms as the Directors in their absolute discretion may think fit.
16. Unless otherwise provided in these Articles, the Directors may authorise the division of Shares into any number of Classes and the different Classes shall be authorised, established and designated (or re-designated as the case may be) and the variations in the relative rights (including, without limitation, voting, dividend and redemption rights), restrictions, preferences, privileges and payment obligations as between the different Classes (if any) shall be fixed and determined by the Directors.
17. The Company may issue Shares with rights which are preferential to those of ordinary Shares issued by the Company ("preferred Shares") with the approval of a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors. Prior to the issuance of any preferred Shares approved pursuant to this Article, this Memorandum of Association and these Articles shall be amended to set forth the rights and obligations of the preferred Shares, including but not limited to the following terms, and the same shall apply to any variation of rights of preferred Shares:
- (a) the total number of the issued preferred Shares and the total number of the preferred Shares the Company is authorized to issue;
 - (b) order, fixed amount or fixed ratio of allocation of dividends and bonus on preferred Shares;
 - (c) order, fixed amount or fixed ratio of allocation of surplus assets of the Company;
 - (d) order of or restriction on the voting right(s) (including declaring no voting rights whatsoever) of preferred Members;
 - (e) the conditions, deadline of redemption or repurchase, and the type and the amount of payment for redemption or repurchase made by the Company;
 - (f) other matters concerning rights and obligations incidental to preferred Shares; and
 - (g) the method by which the Company is authorized or compelled to redeem the preferred Shares, or a statement that redemption rights shall not apply.

18. The issue of new Shares of the Company shall be approved by a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors. The issue of new Shares shall at all times be subject to the sufficiency of the authorised capital of the Company. The Company may not issue Share certificates to Members in respect of any Shares. However, for as long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, the Company shall not issue Share certificates and upon each issuance of new Shares, the Company shall within 30 days from the completion date of issuance of such Shares cause its Members' Service Agent to enter the name of the Member in the Register and to effect the book-entry transfer in the Member's account with the Depository. The Company shall make a public announcement in accordance with the Applicable Listing Rules prior to the book-entry transfer.
19. The Company shall not issue any unpaid Shares or partly paid-up Shares. The Company shall not issue Shares in bearer form.
20. Upon each issuance of new Shares, the Directors may reserve a specified percentage of the new Shares for subscription by the employees of the Company who are determined by the Board in its reasonable discretion.
21. For so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, unless otherwise resolved by the Members in general meeting by Ordinary Resolution, if at anytime the Board resolves to issue any new Share, the Company shall, after reserving the portion of Shares for subscription by its employees and for public offering in Taiwan pursuant to Article 11 and Article 14 respectively, advise each then Member by a public announcement and by a written notice to subscribe for the remaining new Shares with preemptive right, in proportion respectively to their original shareholding and shall state in the notice that if any Member fails to subscribe for new Shares, his/her right shall be forfeited. Where a fractional percentage of the original Shares being held by a Member is insufficient to subscribe for one new Share, the fractional percentages of the original Shares being held by several Members may be combined for joint subscription of one or more integral new Shares or for subscription of new Shares in the name of a single Member. New shares left unsubscribed by such Members may be open for public issuance or for subscription by specific person or persons through negotiation.
22. The Members' preemptive right prescribed under Article 12 shall not apply in the event that new Shares are issued due to the following reasons or for the following purpose:
 - (a) in connection with a Merger with another company, or the Spin-off of the Company, or pursuant to any reorganization of the Company;
 - (b) in connection with meeting the Company's obligation under Share subscription warrants and/or options;
 - (c) in connection with meeting the Company's obligation under corporate bonds which are convertible bonds or vested with rights to acquire Shares;
 - (d) in connection with meeting the Company's obligation under preferred Shares vested with rights to acquire Shares or with a redemption of Shares by the Company; or
 - (e) any other conditions excluded by the Applicable Listing Rules.
23. Where the Company increases its capital by issuing new Shares in Taiwan, the Company shall allocate 10 percent of the total amount of the new Shares to be issued, for offering in Taiwan to the public unless it is not necessary or appropriate, according to the Applicable Listing Rules, for the Company to conduct the aforementioned public offering. Provided however, if a percentage higher than the aforementioned 10 percent is resolved by a general meeting to be offered, the percentage determined by such resolution shall prevail.

14A. The Company may, with the sanction of a Special Resolution (Taiwan), carry out private placement of securities to the following persons in Taiwan :

- (a) Banks, bills finance enterprises, trust enterprises, insurance enterprises, securities enterprises, or other juristic persons or institutions approved by the competent authority governing securities in Taiwan.
- (b) Natural persons, juristic persons, or funds meeting the conditions prescribed by the competent authority governing securities in Taiwan.
- (c) Directors, Supervisors, and managerial officers of the Company or its Affiliated Companies.

Where the private placement of securities are conducted according to the preceding paragraph and the relevant particulars have been specified and described during the meeting of Members, the private placement may be carried out in installments within one year from the date of the said resolution of the meeting of Members.

24. (A) The Company may, upon resolution by a majority votes at a meeting of the Board of Directors attended by two-thirds or more of the Directors, adopt one or more employee incentive programmes pursuant to which Shares, options, warrants, or other similar instruments to acquire Shares may be granted to employees of the Company or any Affiliated Company to subscribe for Shares. The Shares, options, warrants, or other similar instruments to acquire Shares granted to any employee under any employee stock option plan shall be non-transferable, except to the heirs of the employees.

(B) The Company may issue restricted Shares to employees by the Special Resolution (Taiwan). The issuance amount, issuance prices, issuance conditions and other matters which shall be complied with shall be subject to the Applicable Listing Rules.

VARIATION OF RIGHTS ATTACHING TO SHARES

25. If at any time the capital is divided into different classes of Shares, the rights attaching to any class (unless otherwise provided by the terms of issue of the Shares of that class) may be varied or abrogated with the consent of the holders of two-thirds of the issued Shares of that class. Unless otherwise provided by the terms of issue of the Shares of that class, to every such separate general meeting the provisions of these Articles relating to general meetings of the Company shall *mutatis mutandis* apply.
26. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied or abrogated by the creation or issue of further Shares ranking *pari passu* with or subsequent to them or the redemption or repurchase of Shares of any class by the Company.

CERTIFICATES

27. The Register of Members shall be *prima facie* evidence of the entitlement of a person to Shares recorded against his/her name. Subject to the approval of the Board and subject as otherwise provided in these Articles, Share certificates may be issued to a Member upon request. Every Share certificate shall be issued under the Seal or a facsimile thereof and shall specify the name of the Member, the number and class and distinguishing numbers (if any or if required by the Companies Law or Applicable Listing Rules) of the Shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. No certificate shall be issued representing Shares of more than one class nor will be issued in bearer form. The Board may by resolution determine, either generally or in any

particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.

TRANSFER OF SHARES

28. Subject to the Companies Law, the Applicable Listing Rules, and Articles 32 and 33, Shares issued by the Company shall be freely transferable, provided that any newly issued Shares reserved for subscription by the employees of the Company according to Article 11 and any Treasury Shares transferred to the employees of the Company may be subject to transfer restrictions for a period of not more than two years. Title to Shares which are listed on the GreTai Securities Market or the TSE may be evidenced and transferred in accordance with the Applicable Listing Rules. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the Register in respect thereof.
29. The instrument of transfer of any Share shall be in any usual or common form or such other form as the Directors may, in their absolute discretion, approve and be executed by or on behalf of the transferor and if so required by the Directors, shall also be executed on behalf of the transferee, shall be accompanied by the certificate (if any) of the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the Register of Members in respect thereof.
30. The Directors may in their absolute discretion decline to register any transfer of Shares unless:
 - (a) the instrument of transfer is lodged with the Company, accompanied by the certificate (if any) for the Shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
 - (b) the instrument of transfer is in respect of only one class of Shares; or
 - (c) the instrument of transfer is properly stamped, if required.
31. The registration of transfers may be suspended when the Register of Members is closed in accordance with Article 37.
32. All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Directors decline to register shall (except in any case of fraud) be returned to the person depositing the same.

TRANSMISSION OF SHARES

33. The legal personal representative of a deceased sole holder of a Share shall be the only person recognised by the Company as having any title to the Share. In the case of a Share registered in the name of two or more holders, the survivors or survivor, or the legal personal representatives of the deceased survivor, shall be the only person recognised by the Company as having any title to the Share.
34. Any person becoming entitled to a Share in consequence of the death or bankruptcy of a Member shall upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Member in respect of the Share or, instead of being registered himself/herself, to make such transfer of the Share as the deceased or bankrupt person

could have made. In case the aforementioned person decides to be registered as a Member, he/she shall deliver or send a notice in writing to the Company, on which the signature shall be made and his/her decision shall also be stipulated. But the Directors shall, in either case have the right to decline or suspend registration in accordance with Article 21.

35. A person becoming entitled to a Share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he/she would be entitled if he/she were the registered holder of the Share, except that he/she shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

ALTERATION OF CAPITAL

36. The Company may from time to time by Special Resolution (Taiwan) increase the authorized share capital by such sum, to be divided into Shares of such classes and amount, as the resolution shall prescribe.

37. (A) The Company may by Special Resolution reduce its capital and any capital redemption reserve in any manner authorised by the Companies Law or Applicable Listing Rules. Subject to the Companies Law or the Applicable Listing Rules, capital shall be reduced pro rata in accordance with each Member's shareholding percentage.

(B) The Company may reduce its share capital by using property, in addition to cash, to return capital contributions; the returned property and the offsetable amount for the returned property shall be decided by Ordinary Resolution, and approved by the Member(s) receiving such property.

(C) During the period when the Shares are traded on the Emerging Market, GreTia Securities Market, or TSE, the Board shall have the value of the returned property and the offsetable amount referred to in the preceding paragraph audited and certified by a certified public accountant in Taiwan prior to the general meeting.

REDEMPTION AND PURCHASE OF OWN SHARES

38. Subject to the Law, the Applicable Listing Rules and these Articles, the Company may issue Shares on terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the Member on such terms and in such manner as the Company may by Special Resolution (Taiwan), before the issue of such Shares, determine; provided that payment in respect of the redemption of its own Shares shall be made in a manner authorised by the Companies Law or Applicable Listing Rules, including out of its profits or the proceeds of a fresh issue of Shares.

39. Subject to the Law, the Applicable Listing Rules and these Articles, and upon the approval of a majority of the Directors present at a Board meeting attended by two-thirds or more of Directors, the Company may repurchase its own Shares at the GreTai Securities Market or at TSE (the "Treasury Shares").

40. (A) The number of the Treasury Shares repurchased by the Company pursuant to the preceding Article 30 shall not exceed 10 percent of the total number of issued Shares of the Company. The total repurchase price of the Treasury Shares shall not exceed the sum of Retained Earnings plus the amount of the Share Premium Account plus the amount of the Realized Capital Reserve.

(B) The Company shall be entered in the Register as the holder of the Treasury Shares provided that: the Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void.

(C) No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up) may be declared or paid in respect of a Treasury Share.

41. The transfer of Treasury Shares to the employees at the price less than the average price at which Treasury Shares were previously purchased by the Company shall be approved by the Special Resolution (Taiwan) of the Company at an upcoming general meeting prior to the transfer, and the following matters shall be specified and described in the notice of a general meeting, and shall not be proposed as *ad hoc* motions:
- (a) Transferring price, the discount rate, calculation basis and rationality.
 - (b) The numbers of Treasury Shares to be transferred, purpose and rationality.
 - (c) The qualification of the employees who are eligible to subscribe for the Shares and the numbers of the Shares for employees' subscription.
 - (d) The matters which may affect Members' interests:
 - 甲、 the amounts which may be recognized as expenses and dilution of earnings per Share.
 - 乙、 the description of the Company's financial burden arising from the transfer of Treasury Shares transferred to employees at a price less than the average price at which Treasury Shares were previously purchased by the Company.

The total numbers of Shares transferred to employees approved at each general meeting shall not exceed 5 percent of the total issued Shares of the Company, and the total numbers of the Shares subscribed by each employee shall not exceed 0.5 percent of the total issued Shares of the Company.

- 32A.(A) Notwithstanding Article 30 and subject to the Law, the Company may, with the sanction of an Ordinary Resolution, purchase and cancel its own Shares out of the share capital of the Company pro rata in accordance with each Member's shareholding percentage. The amount payable to the Shareholders in connection with a repurchase of Shares out of the share capital of the Company may be paid in cash or by way of delivery of assets in specie (i.e., non-cash). The assets to be delivered and the amount of such substitutive share capital shall be approved by the Ordinary Resolution and shall be subject to consent by the Member receiving such asset.

(B) The Board shall have the value of such asset and the amount of such substitutive share capital set forth in the preceding paragraph be audited and certified by a Taiwanese certified public accountant before the general meeting considering such repurchase.

42. The Directors or managerial officers of the Company, or their spouse, minor children, or any other persons who hold the Shares for the benefit of the Directors, officers, their spouses or minor children, shall not sell or otherwise transfer their Shares during the period when the Company is repurchasing its own Shares.
43. The resolution for the redemption or repurchase of the Shares by the Company and the implementation thereof shall be reported at an upcoming general meeting no matter whether the Company redeems or repurchases the Shares so resolved.
44. The redemption or repurchase of any Share shall not be deemed to give rise to the redemption or purchase of any other Share.
45. Subject to the Law and the Applicable Listing Rules, the Directors may when making payments in

respect of redemption or repurchase of Shares, if authorised by the terms of issue of the Shares being redeemed or repurchased or with the agreement of the holder of such Shares, make such payment either in cash or in specie.

CLOSING REGISTER OF MEMBERS OR FIXING RECORD DATE

46. For the purpose of determining those Members that are entitled to receive notice of, attend or vote at any meeting of Members or any adjournment thereof, or those Members that are entitled to receive payment of any dividend, or in order to make a determination as to who is a Member for any other purpose, the Directors may provide that the Register of Members shall be closed for transfers for a stated period. For so long as the Shares are registered in the Emerging Market or listed in the GreTai Securities Market or TSE, the Register of Members shall be so closed at least for a period of 60 days, 30 days and 5 days immediately before the date of each annual general meeting, each extraordinary general meeting and the record date for the distribution of dividends and bonus or other interests respectively. The periods specified above shall commence from the day on which the meeting is to be held (inclusive) or from the record date for the distribution of dividends and bonus or other interests respectively (inclusive), as the case may be.
47. In lieu of or apart from closing the Register of Members, the Directors may fix in advance a date as the record date for any such determination of those Members that are entitled to receive notice of, attend or vote at a meeting of the Members and for the purpose of determining those Members that are entitled to receive payment of any dividend. In the event the Directors designate a record date in accordance with this Article, such record date shall be a date prior to the general meeting and the Directors shall immediately make a public announcement on the website designated by the Commission and the GreTai Securities Market or TSE pursuant to the Applicable Listing Rules.

GENERAL MEETINGS

48. All general meetings other than annual general meetings shall be called extraordinary general meetings.
49. The Directors may, whenever they think fit, convene a general meeting of the Company; provided that the Shares are registered in the Emerging Market or listed in the GreTai Securities Market or TSE, the Company shall in each year hold a general meeting as its annual general meeting at least once, and such annual general meeting shall be held within 6 months after close of each fiscal year and shall specify the meeting as such in the notices calling it.
50. At these meetings the report of the Board shall be presented. For so long as the Shares are registered in the Emerging Market or listed in the GreTai Securities Market or TSE, all general meetings shall be held at such time and place as may be determined by the Board in Taiwan. If the Directors resolve to hold a general meeting outside Taiwan, the Company shall apply for the approval of the GreTai Securities Market (or the TSE, if applicable) thereof within 2 days after the Board of Directors adopts such resolution or after the approval of relevant authorities for Members to convene the general meeting. Where a general meeting is to be held outside Taiwan, the Company shall engage a Members' Services Agent to handle the administration of Member voting matters for such general meeting.
51. General meetings shall also be convened on the written requisition of any Member or Members entitled to attend and vote at general meetings of the Company who hold not less than 3 percent of the paid up voting Share capital of the Company for a period of one year or a longer time deposited at the Office or the Members' Service Agent specifying the objects of the meeting and requesting the Board to convene the general meeting, and if the Directors do not convene such meeting within 15 days after the date of such deposit, the requisitionists themselves may convene

an extraordinary general meeting in accordance with the Applicable Listing Rules and may determine such time and place of the extraordinary general meeting he/she thinks fit by sending out a notice of general meeting in accordance with these Articles.

NOTICE AND PUBLIC ANNOUNCEMENT OF GENERAL MEETINGS

52. (A) At least 30 and 15 days' notices in writing shall be given for any annual and extraordinary general meetings, respectively. The notice period shall be exclusive of the day on which it is given and of the day of the meeting. Every notice shall specify the place, the day and the time of the meeting and the general nature of the business. The notice for a general meeting may be given by means of electronic communication if the Company obtains prior consent by the individual recipients.

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

53. The following matters shall be specified and described in the notice of a general meeting, and shall not be proposed as ad hoc motions:

- (l) election or discharge of Directors or Supervisors;
- (m) amendments to these Articles;
- (n) dissolution, Merger or Spin-off, equity conversion of the Company;
- (o) entering into, amendment to, or termination of any contract for lease of its business in whole, or for entrusting business, or for regular joint operation with others;
- (p) the transfer of the whole or any material part of its business or assets;
- (q) taking over another's whole business or assets, which will have a material effect on the business operation of the Company;
- (r) carrying out private placement of its securities;
- (s) granting waiver to the Director's engaging in any business within the scope of business of the Company;
- (t) distributing part or all of its dividends or bonus by way of issuance of new Shares;
- (u) transfer of Treasury Shares pursuant to Article 32; and
- (v) capitalization of any amounts standing to the credit of the statutory reserve or the following Capital Reserves - Share Premium Account and/or income from endowments received by the Company, or making distributions out of the Statutory Reserve and the Share Premium Account to its Members in cash.

Subject to the Law, the Applicable Listing Rules and these Articles, the Members may propose matters in a general meeting by ad hoc motions, and the matters proposed by the Members shall be directly related to the matters specified and described in the notice of a general meeting. In case the matters proposed by the Members violate this paragraph, the matters proposed may be denied by the Chairman.

54. For so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, the Company shall prepare a manual and related materials for each general meeting. Such manual and materials shall be published on the website designated by the

Commission and the GreTai Securities Market or TSE pursuant to the Applicable Listing Rules at least 21 days prior to the date of the relevant annual general meeting or 15 days prior to the date of the relevant extraordinary general meeting.

PROCEEDINGS AT GENERAL MEETINGS

55. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as otherwise provided by these Articles, the holders of Shares being more than an aggregate of one-half of all Shares in issue present in person or by proxy and entitled to vote shall be a quorum for all purposes.
56. Member(s) holding one percent or more of the total number of issued Shares immediately prior to the relevant Register close period may propose in writing to the Company a proposal for discussion at a general 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. The following procedures shall apply for making such proposals:
- (e) Prior to the date of the relevant Register of Members close period, the Company shall, in accordance with the Applicable Listing Rules, provide a public notice announcing the place and the period for Members to submit proposals to be discussed at the general meeting. The period for accepting such proposals shall be at least 10 days;
 - (f) The number of words of a proposal to be submitted by a Member shall be limited to not more than 300 words, and any proposal containing more than 300 words shall not be included in the agenda of the general meeting. The Member who has submitted a proposal shall attend, in person or by a proxy, the general meeting whereat his/her proposal is to be discussed and shall take part in the discussion of such proposal;
 - (g) Under any of the following circumstances, the Directors of the Company may exclude the proposal submitted by a Member from the list of proposals to be discussed at the general meeting:
 - iv. Where the subject (the issue) of the said proposal cannot be settled or resolved by a resolution to be adopted at a general meeting;
 - v. Where the number of Shares of the Company in the possession of the Member making the said proposal is less than one percent of the total number of issued Shares at the date of the relevant Register close period; or
 - vi. Where the said proposal is submitted on a day beyond the deadline fixed and announced by the Company for accepting Members' proposals.
 - (h) The Company shall, prior to preparing and delivering the notice of the general meeting, inform in writing all the Members who have submitted proposals pursuant hereto about the proposal screening results, and shall list in the said notice the proposals conforming to the requirements as set out in this Article. With regard to the proposals submitted by Members but not included in the agenda of the general meeting, the cause of exclusion of such proposals and explanation shall be made by the Directors at the general meeting to be convened.
57. The chairman, if any, of the Board of Directors shall preside as chairman at every general meeting of the Company convened by the Board of the Directors. For a general meeting convened by any other person having the convening right, such person shall act as the chairman of that meeting; provided that if there are two or more persons jointly having the convening right, the chairman of the meeting shall be elected from those persons.

58. If there is no such chairman, or if at any general meeting he/she is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, any Director nominated by the Directors shall preside as chairman, failing which the Members present shall choose any Person present to be chairman of that meeting.
59. The chairman may (and shall if so directed by the meeting) adjourn a meeting from time to time and from place to place by an Ordinary Resolution, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
60. At any general meeting a resolution put to the vote of the meeting shall be decided on a poll.
61. Unless otherwise expressly required by the Law, the Applicable Listing Rules or these Articles, any matter which has been presented for resolution, approval, confirmation or adoption by the Members at any general meeting may be passed by an Ordinary Resolution. All resolutions put to the vote of a meeting shall be decided by poll. No resolutions will be passed by written resolution of Members without a meeting.
62. In the case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote.
63. The Company shall by a Special Resolution (Taiwan):
- (a) enter into, amend, or terminate any contract for lease of its business in whole, or for entrusting business, or for regular joint operation with others;
 - (b) transfer the whole or any material part of its business or assets, provided that Paragraph 2 of this Article 54 shall apply;
 - (c) take over the transfer of another's whole business or assets, which will have a material effect on the business operation of the Company;
 - (d) effect any Spin-off of the Company, provided that Paragraph 2 of this Article 54 shall apply;
 - (e) carry out private placement of its securities;
 - (f) distribute part or all of its dividends or bonus by way of issuance of new Shares;
 - (g) grant waiver to a Director's engaging in any business within the scope of the Company's business; or
 - (h) issue restricted Shares to the employees.

If the Company dissolves after participating a merger, or takes part in a general transfer, share exchange or spin-off transaction, which causes the de-listing of its shares, and where the surviving, transferee, existing or newly incorporated company is not a public listed company at Taiwan Stock Exchange or Over-the-counter market, such transaction shall require a resolution adopted by Members representing two-third or more of the total number of its issued shares.

64. The Company may, by a Special Resolution,
- (a) effect a Merger of the Company in accordance with the Applicable Listing Rules and the Law;
 - (b) Amend these Articles and the Memorandum of Association;

- (c) change the name of the Company; and
- (d) reduce the capital and capital redemption reserve.

55A. With regard to the dissolution procedures of the Company, the Company shall pass:

- (a) an Ordinary Resolution, if the Company resolves that it be wound up voluntarily because it is unable to pay its debts as they fall due; or
- (b) a Special Resolution, if the Company resolves that it be wound up voluntarily for reasons other than paragraph (a) of Article 55A.

65. In the event any of the resolutions with respect to the Paragraph 1, Subparagraph (a), (b), (c) or (d) of Article 54, the Paragraph 2 of Article 54, or any specific resolution of a general meeting prescribed under any applicable listing rules is adopted by a general meeting, any Member who, prior to or at such meeting, has notified the Company in writing of his/her objection to such proposal or has orally objected to such proposal which has been recorded in the meeting minutes, and has abstained from voting on such proposal, may request the Company to repurchase all of his/her Shares at the then prevailing fair price within 20 days after the adoption of the resolution by the general meeting. In the event the price of the Shares repurchase is negotiated and agreed upon by and between the Company and the selling Member, the Company shall pay the repurchase price to such selling Member within 90 days upon the resolution date of the general meeting. If the Company and the selling Member fail to reach an agreement on the price of Shares repurchase, the Company shall pay the repurchase price that it determines as fair price to the Member who has not so agreed on the repurchase price. In the event the Company and the selling Member fail to reach an agreement on the price of Shares repurchase within 60 days upon the resolution date of the general meeting, the Company shall, within 30 days upon the lapse of such 60-day period, file a motion with the Taiwan Taipei District Court, in which all selling Members who disagree with the repurchase price are listed as respondents, to issue a ruling on the repurchase price.

VOTES OF MEMBERS

66. (A) Subject to any rights and restrictions for the time being attached to any class or classes of Shares, every Member and every person representing a Member by proxy shall have one vote for each Share of which he or the person represented by proxy is the holder.

(B) In the event that a Member holds Share for others, such Member may separately exercise his vote in favour of or against the relevant resolution. The qualifications, scope, method of exercise, operating procedure and other matters which shall be complied with shall be in accordance with the Applicable Listing Rules.

67. No vote may be exercised with respect to any of the following Shares:

- (a) the Share(s) of the Company that are held by the Company itself (the Treasury Share(s));
- (b) the Shares held by any subsidiary company of the Company, where the total number of voting Shares or total Shares equity held by the Company in such a subsidiary represents more than one-half of the total number of voting Shares or the total Shares equity of such a subsidiary; or
- (c) the Shares held by another company, where the total number of the Shares or total Shares equity of that company held by the Company and its subsidiaries directly or indirectly represents more than one-half of the total number of voting Shares or the total Share equity of such a company.

The Shares held by Members having no voting right shall not be counted in the total number of

issued Shares while adopting a resolution at a general meeting, nor, for the avoidance of doubt, be counted in the quorum at the meeting.

68. In the case of joint holders, the joint holders shall select among them a representative for the exercise of their Member's rights and the vote of their representative who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the joint holders.
69. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote by his/her committee, or other person in the nature of a committee appointed by that court, and any such committee or other person may vote by proxy.
70. (A) Any Member who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a general meeting shall abstain from voting in respect of all the Shares that such Member should otherwise be entitled to vote and such Shares shall not be counted in the number of votes of Members present at the meeting. The aforementioned Member shall also not vote on behalf of any other Member.

(B) In case that any Director or Supervisor gives security over more than 50% of the number of his/her/its Shares (the "**Pledged Shares**") he/she/it held at the time he/she/it was elected as a Director or a Supervisor (the "**Initial Shares**"), no vote may be exercised with respect to the Shares representing the difference between the Pledged Shares and the 50% of the Initial Shares, and such Shares representing the difference between the Pledged Shares and the 50% of the Initial Shares shall not be counted in the number of the votes of the Members present at the general meeting.

71. The voting power exercising by way of electronic transmission shall be listed by the Company as one of the ways of exercising the voting power since 2016. In the event the general meeting is to be held outside Taiwan, the Company shall specify in the notice of the general meeting that the votes may be exercised in writing or by way of electronic voting transmission. In the event that the votes are exercised in writing, both the materials stipulated in Article 43(B) and the form of votes exercised in writing shall be sent to the Members.
72. A Member who exercises his votes in writing or by way of electronic transmission as set forth in the preceding Article 62 shall be deemed to have appointed the chairman of the general meeting as his or her proxy to exercise his or her voting right at such general meeting in accordance with the instructions stipulated in the written or electronic document, but shall be deemed to have waived his votes in respect of any ad hoc motions and the amendments to the contents of the original proposals at such general meeting; provided, however, that such appointment shall be deemed not to constitute the appointment of a proxy for the purposes of the Applicable Listing Rules. The chairman, acting as proxy of a Member, shall not exercise the voting right of such Member in any way not stipulated in the written or electronic document.
73. A Member shall submit his or her vote by way of written ballot or electronic transmission pursuant to Article 62 to the Company no later than two (2) days prior to the scheduled meeting date of the general meeting; whereas if two (2) or more such written ballot or electronic transmission are submitted to the Company, the proxy deemed to be given to the chairman of the general meeting pursuant to Article 63 by the first written ballot or transmission shall prevail unless it is expressly included in the subsequent vote by written ballot or electronic transmission that the original vote submitted by written ballot or electronic transmission be revoked.
74. In case a Member who has submitted his votes by written ballot or electronic transmission intends to attend the general meeting in person, he shall, at least two (2) day prior to the date of the meeting revoke such vote by written ballot or electronic transmission and such revocation shall

constitute a revocation of the proxy deemed to be given to the chairman of the general meeting pursuant to Article 63. If a Member who has submitted his or her vote in writing or by way of electronic transmission pursuant to Article 62 does not submit such a revocation before the prescribed time, his or her vote by written ballot or electronic transmission and the proxy deemed to be given to the chairman of the general meeting pursuant to Article 63 shall prevail. If a Member has submitted his or her vote in writing or by way of electronic transmission pursuant to Article 62, and has subsequently submitted a proxy appointing a person as his or her proxy to attend the general meeting on his or her behalf, the subsequent appointment of that person as his or her proxy shall be deemed to be a revocation of such Member's deemed appointment of the chairman of the general meeting as his or her proxy pursuant to Article 63 and the vote casted by that person subsequently appointed as his or her proxy shall prevail.

75. (A) The proceedings regarding general meetings and voting at general meetings which are not provided for in these Articles shall be governed by the Rules Governing the Conduct of the General Meetings of the Company and the Applicable Listing Rules, as adopted and amended by way of Ordinary Resolution from time to time, which shall be in compliance with the Law and the Applicable Listing Rules.

(B) In case the procedure for convening a general meeting of Members or the method of adopting resolutions is in violation of the Law, Applicable Listing Rules or these Articles, a Member may, within 30 days from the date of the resolution, submit a petition to the Taipei District Court of Taiwan as the court of jurisdiction and first instance or the courts of the Cayman Islands for an appropriate remedy.

PROXY SOLICITATION

76. (A) A Member may appoint a proxy to attend a general meeting on his/her behalf by executing a proxy form prepared by the Company stating therein the scope of power authorized to the proxy. A Member may only execute one proxy form and appoint one proxy for each general meeting, and shall serve such written proxy to the Company no later than 5 days prior to the meeting date. In case the Company receives two or more written proxies from one Member, the first one arriving at the Company shall prevail unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.

(B) After the service of a proxy to the company, in case the Member issuing the said proxy intends to attend the general meeting in person, a proxy rescission notice shall be filed with the Company at least two (2) days prior to the date of the general meeting as scheduled in the general meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

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

78. Except for trust enterprises or Members' Service Agencies approved by Taiwan competent authorities or as otherwise specified under these Articles, when a person who acts as the proxy for two or more Members, the number of votes represented by him/her shall not exceed 3 percent of the total number of votes of the Company and the portion of excessive votes represented by such

proxy shall not be counted.

79. For so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, all matters concerning proxies and/or the solicitation of proxies by a solicitor relating to the Shares of the Company shall comply with all Applicable Listing Rules, whether or not expressly provided for in these Articles.

CORPRATIONS ACTING BY REPRESENTATIVES AT MEETINGS

80. Any corporation which is a Member or a Director may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members or of the Board of Directors or of a committee of Directors, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he/she represents as that corporation could exercise if it were an individual Member or Director. Any corporation which is a Member may replace such representative from time to time.

DIRECTORS

81. The name of the first Director(s) shall either be determined in writing by a majority (or in the case of a sole subscriber that subscriber) of, or elected at a meeting of, the subscribers of the Memorandum of Association.
82. (A) Unless otherwise determined by the Company in general meeting, prior to the Shares of the Company are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, the number of Directors shall be no less than five Directors, and the exact number of Directors is to be determined from time to time solely by the Board. The professional qualifications, compositions, election and discharges of the Directors, the exercise of their powers, and other related matters shall comply with the Applicable Listing Rules.
- (B) For so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, the Directors shall include such number of Independent Directors as applicable law, rules or regulations or the Applicable Listing Rules require for a foreign issuer. Where the Company is listed on the GreTai Securities Market or TSE, the Board shall have at least 2 Independent Directors and the number of Independent Directors shall not be less than 1/5 of the total number of Directors, of whom at least one Independent Director shall have domicile in Taiwan. The professional qualifications, compositions, elections and discharges of the Independent Directors, the exercise of their powers, and other related matters shall comply with the Applicable Listing Rules.
- (C) Where the number of Independent Directors on the Board falls below the minimum number required by these Articles, the Company shall hold a by-election for Independent Directors at the next following general meeting. Where all of the Independent Directorships become vacant, within 60 days of the occurrence of such shortfall, an extraordinary general meeting of Members to elect succeeding Independent Directors to fill the vacancies shall be held.
- (D) Any juristic person or corporation which is a Member, its authorized representative may also be elected as the Director or Supervisor in such representative personal capacity. If there are two or more authorized representatives, each of them may be so elected, but such authorized representatives may not be elected or acted as the Director and Supervisor at the same time.
83. (A) The general meeting of the Members may appoint any natural or legal Person to be a Director;

provided however that more than half of the Directors shall not, as among them, have spousal relationship or familial relationship within the second degree of kinship.

(B) Where the Directors elected in the general meeting do not meet the condition set forth in Article 74(A), the election of the Director receiving the lowest number of votes among those not meeting the said condition shall be deemed null and void.

(C) When a person serving as Director is in violation of Article 74(A), that person shall be subject to ipso facto dismissal through the *mutatis mutandis* application of Article 74(B).

(D) When the number of Directors falls below 5 due to the dismissal of a Director for any reason, the Company shall hold a by-election for Directors at the next following general meeting.

(E) When the number of vacancies in the Board equals to one-third of the total number of Directors determined from time to time by the Board, the Board of Directors shall hold, within 60 days of the occurrence of such shortfall, an extraordinary general meeting to elect succeeding Directors to fill the vacancies.

84. At a general meeting for election of Directors, the number of votes exercisable in respect of one Share shall be the same as the number of Directors to be elected, and the total number of votes per Share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director so elected. The authorized representative of a Member may be elected as a Director, and if there is a plural number of such authorized representatives, each of them may be so elected.
85. The Directors may adopt a director candidate nomination mechanism which is in compliance with the Applicable Listing Rules, and establish rules and procedures related to such director candidate nomination mechanism in accordance with the Applicable Listing Rules. The election of directors, independent directors, and supervisors shall adopt the candidate nomination mechanism in accordance with the Applicable Listing Rules.
86. Subject to the provisions of these Articles, the term for which a Director will hold office shall not exceed 3 years; thereafter he/she may be eligible for re-election. In case no election of new Directors is effected after expiration of the term of office of the existing Directors, the term of office of such Directors shall be extended until the time new Directors are elected and assume their office.
87. (A) A Director may be discharged at any time by a Special Resolution (Taiwan). If a Director is discharged during the term of his/her office as a director without good cause, such Director may make a claim against the Company for any and all damages sustained by him/her as a result of such discharge.
- (B) If it is resolved at a general meeting held prior to the expiration of the term of the existing Directors that all Directors will be re-elected with effect immediately after the adoption of such resolution (the “**Appointment**”), unless otherwise resolved at such general meeting, the term of the existing Directors shall be deemed to have expired immediately prior to the Appointment. Such resolution made in the general meeting shall be attended by the Members who represent more than one-half of the total number of issued Shares.
88. The Board of Directors shall have a Chairman (the “Chairman”) elected and appointed by a majority of the Directors present at the Board meeting the quorum of which shall be two-thirds of all of the Directors then in office. The period for which the Chairman will hold office will also be determined by a majority of the Directors present at the Board meeting with a quorum of at least two-thirds of all of the Directors then in office. The Chairman shall preside as chairman at every meeting of the Board, and shall represent the Company in all external affairs. However, in the first

meeting of each term of the board of directors, it shall be convened by the director who received a ballot representing the largest number of votes at the shareholder meeting; the convener shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves. In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case there is no vice chairman, or the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the managing directors, or where there is no managing directors, one of the directors to act on his behalf. In the absence of such a designation, the managing directors or the directors shall elect from among themselves an acting chairman of the board of directors.

89. There shall be no shareholding qualification for Directors.

DIRECTORS' REMUNERATION AND EXPENSES

90. The Directors shall be authorized and delegated the power to set remuneration for all Directors. Director's remuneration shall be in accordance with their involvement to the operation of the Company, their contribution to the Company, and Taiwan and international standards in the industry. Each Director shall be entitled to be repaid or prepaid all travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by him/her in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of Shares or of debentures of the Company or otherwise in connection with the discharge of his/her duties as a Director.

91. (Deleted)

PROXY OF DIRECTOR

92. Any Director may appoint another Director, to be the proxy of that Director to attend and vote on his/her behalf, in accordance with instructions given by that Director, at a meeting or meetings of the Directors which that Director is unable to attend personally; however, no Director may act as proxy for more than one Director. The instrument appointing the proxy shall be in writing under the hand of the appointing Director and shall be in any usual or common form or such other form as the Directors may approve, and must be lodged with the chairman of the meeting of the Directors at which such proxy is to be used, or first used, prior to the commencement of the meeting.

POWERS AND DUTIES OF DIRECTORS

93. Subject to the provisions of the Companies Law, these Articles, the Applicable Listing Rules and to any resolutions made in a general meeting, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in setting up and registering the Company and may exercise all powers of the Company. No resolution passed by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that resolution had not been made.

84A.(A) The Directors shall owe fiduciary duties to the Company and such fiduciary obligations shall include but not limited to the observance of general standards of loyalty, good faith, and the avoidance of a conflict of duty and self-interest. Subject to Cayman Islands law, (i) if the Director has acted contrary to this provision, he/she/it shall be liable for the damages incurred by the

Company therefrom; and (ii) if the Director has acted for himself/herself/itself or for another person, the general meeting may, by an Ordinary Resolution, deem the earnings in such an act as earnings of the Company.

(B) Subject to Cayman Islands law, if any Director has, in the course of conducting the business operations, violated laws or regulations and thus caused damage to any other person, he/she/it and the Company may be liable, jointly and severally, for the damage to such other person.

(C) Any managerial officer and any Supervisor who is in the course of conducting the business operations shall take the same liability as the Director.

94. The Directors may appoint a Chief Executive Officer and other managers (who may or may not be Directors) as the officers of the Company as the Directors may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Law and these Articles, and for such term and at such remuneration (whether by way of salary or commission or participation in earnings or partly in one way and partly in another), and with such powers and duties as the Directors may think fit. Any Person so appointed by the Directors may be removed by the Directors.

95. (A) The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

(B) The Company shall establish a remuneration committee, and the professional qualifications, compositions, election and discharges of its members, the exercise of their powers, and other related matters shall comply with the Applicable Listing Rules.

(C) Remuneration referred to in the preceding paragraph shall include salary, stock options, and any other substantive incentive measures for Directors, Supervisors and managerial officers.

96. The Directors may from time to time provide for the management of the affairs of the Company in such manner as they shall think fit and the provisions contained in the three next following Articles shall not limit the general powers conferred by this Article.

97. The Directors from time to time and at any time may establish any committees, local boards or agencies for managing any of the affairs of the Company and may appoint any persons to be members of such committees or local boards and may appoint any managers or agents of the Company and may fix the remuneration of any such persons.

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

99. Any such delegates as aforesaid may be authorized by the Directors to subdelegate all or any of the powers, authorities, and discretion for the time being vested in them.

BORROWING POWERS OF DIRECTORS

100. Subject to these Articles and Applicable Listing Rules, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, to issue debentures, debenture stock and other securities whenever money is borrowed or as security for

any debt, liability or obligation of the Company or of any third party.

THE SEAL

101. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors provided always that such authority may be given prior to or after the affixing of the Seal and if given after may be in general form confirming a number of affixings of the Seal. The Seal shall be affixed in the presence of at least one (1) Director or in the presence of any one (1) or more Persons as the Directors may appoint for the purpose and every Person as aforesaid shall sign every instrument to which the Seal is so affixed in their presence.
102. The Company may maintain a facsimile of the Seal in such countries or places as the Directors may appoint and such facsimile Seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors provided always that such authority may be given prior to or after the affixing of such facsimile Seal and if given after may be in general form confirming a number of affixings of such facsimile Seal.

DISQUALIFICATION OF DIRECTORS

103. A person shall not be qualified to hold office as a Director if any of the situations set forth in (a) through (h) below applies to such Person. In addition, the office of Director shall be vacated, if Director:
- (i) committed a felony (including but not limited to the crimes stipulated in the R.O.C “Organized Crime Prevention Act”) and has been adjudicated guilty by a final judgment, and the time elapsed after he/she has served the full term of the sentence is less than 5 years;
 - (j) has been sentenced to imprisonment for a term of more than one year for commitment of fraud, breach of trust or misappropriation, and the time elapsed after he/she has served the full term of such sentence is less than 2 years;
 - (k) has been adjudicated guilty by a final judgment for misappropriating company or public funds during the time of his/her public service, and the time elapsed after he/she has served the full term of such sentence is less than 2 years;
 - (l) has been adjudicated to be bankrupt and not to be reinstated, or makes any arrangement or composition with his/her creditors;
 - (m) has been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet;
 - (n) incapacity or partial incapacity;
 - (o) resigns his/her office by notice in writing to the Company;
 - (p) is removed from office by Special Resolution (Taiwan).

94A. (A) A Director or Supervisor will be automatically discharged if, during his/her/its tenure, such Director or Supervisor transfers more than one half of the Shares held by him/her/it at the time of election; a Director or Supervisor will also be automatically discharged if the aggregated number of Shares transferred by such Director or Supervisor prior to and after the amendment of these Articles is more than one half of the Shares held by him/her/it at the time of election.

(B) If, after he/she/it is elected, a Director or Supervisor transfers more than one half of the Shares held by him/her at the time of election before he/she/it assumes office, or transfers more

than one half of the total number of Shares held by him/her/it during the period prior to the general meeting where share transfer registration is suspended, the election of such Director or Supervisor shall become invalid.

104. Subject to the Companies Law and Cayman Islands laws, if a Director commits, in the course of performing his/her duties, any act resulting in material damage to the Company or in serious violation of applicable laws and/or regulations or these Articles, but has not been removed by the Company pursuant to a Special Resolution (Taiwan), then any Member(s) holding 3 percent or more of the total number of issued Shares shall have the right, within 30 days after that general meeting, to submit a petition to the Taipei District Court as the court of jurisdiction in the first instance, or the courts of the Cayman Islands, for the removal of such Director.

PROCEEDINGS OF DIRECTORS

105. The Directors may, upon provision of 7 days' notice (exclusive of the day on which it is given and the day of the meeting) in writing to each Director specifying the place, the day and the time of the meeting and the nature of business to be transacted at the meeting, meet together (either within or outside the Cayman Islands) for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Board meetings shall be held within such period and with such frequency as may be prescribed by the Applicable Listing Rules. In the case of emergency (as defined in Taiwan Company Act), the meeting of Directors may be convened at any time. The notice for meeting of Directors may be given by means of electronic communication if the Company obtains prior consent by the individual recipients.
106. Directors may participate in any meeting of the Board by means of such visual communication facilities as permit all persons participating in the meeting to see and communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
107. Unless otherwise stipulated in these Articles, the quorum necessary for the transaction of the business of the Directors shall be more than one-half of the Directors. A Director represented by proxy at any meeting shall be deemed to be present for the purposes of determining. Except as otherwise required under Article 99, questions arising at any meeting shall be decided by a majority of votes present at such meeting. In case of an equality of votes the Chairman shall not have a second or casting vote.
108. The following actions require the approval of a majority of the votes of the Directors present at a Board meeting attended by at least two-thirds of all Directors:
- (a) entering into, amendment to, or termination of any contract for lease of its business in whole, or for entrusted business, or for regular joint operation with others;
 - (b) the sale or transfer of the whole or any material part of its business or assets;
 - (c) taking over the transfer of another's whole business or assets, which will have a material effect on the business operation of the Company;
 - (d) the election of Chairman of the Board pursuant to these Articles;
 - (e) issuance of corporate bonds;
 - (f) issuance of Shares as provided in Article 8; and
 - (g) the actions prescribed in Article 9, 15(A), 30, and 79.
109. (A)A Director who has a personal interest in the matter under discussion at a Board meeting shall disclose and explain to the Board at such Board meeting the essential contents of such personal

interest.

(B) A Director who has personal interest in the matter under discussion at a Board meeting which may impair the interests of the Company shall refrain from voting on such matter in the Board meeting or exercising voting right on such matter by himself/herself or on behalf of another Director in the said Board meeting. The voting right of such Director who cannot vote or exercise any voting right as prescribed above shall not be counted in the number of votes of Directors present at the Board meeting.

110. A Director who does anything for himself/herself or on behalf of another person that is within the scope of the Company's business shall declare the essential contents of such behaviour to the general meeting of the Members and be approved by a Special Resolution (Taiwan). Failure in obtaining such approval shall cause the Director being so interested be liable to account to the Company for any profit realized by any such behaviour if the general meeting so resolves by an Ordinary Resolution within one year from such behaviour.
111. A Director may hold any other office or place of profit under the Company (other than the office of Supervisor) in conjunction with his/her office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director shall be disqualified by his/her office from contracting with the Company either with regard to his/her tenure of any such other office or place of profit, nor shall any Director so contraction or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.
112. Subject to these Articles, any Director may act by himself/herself or his/her firm in a professional capacity for the Company, and he/she or his/her firm shall be entitled to remuneration for professional services as if he/she were not a Director, provided that nothing herein contained shall authorise a Director or his/her firm to act as auditor to the Company.
113. The following matters proposed to be transacted by the Company shall be submitted to the Board of Directors for approval by at least two-thirds of all Directors unless approval has been obtained from the competent authority in Taiwan. All resolutions put to the vote of a Board of Directors shall be decided by poll. No resolutions will be passed by written resolution of Directors without a meeting. When an Independent Director has a dissenting opinion or qualified opinion on the following matters, the dissenting or qualified opinion of the Independent Director shall be noted in the minutes of the meeting of Directors:
 - (a) Adoption or amendment of the Company's internal control system;
 - (b) Assessment to the effectiveness of the internal control system;
 - (c) Adoption or amendment of handling procedures for financial or operational actions of material significance to the Company, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others;
 - (d) Any matter bearing on the personal interest of a Director;
 - (e) Material asset or derivatives transactions;
 - (f) Material monetary loan, endorsement, or provision of guarantee;
 - (g) The offering, issuance, or private placement of any equity-type securities;
 - (h) The hiring or dismissal of an attesting certified public accountant, or the compensation given thereto;

- (i) The appointment or discharge of a financial, accounting, or internal auditing officer;
 - (j) Approval of the annual and semi-annual financial reports; and
 - (k) Any other material matter so required by the competent authorities.
114. The Directors shall cause minutes to be made in books or loose-leaf folders provided for the purpose of recording:
- (a) all appointments of officers made by the Directors;
 - (b) the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
 - (c) all resolutions and proceedings at all meetings of the Company, and of the Directors and of committees of Directors, including the objections and comments made by Independent Directors and the reports and opinions of Supervisors.
115. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number summoning a general meeting of the Company, but for no other purpose.
116. Subject to any regulations imposed on it by the Directors, a committee appointed by the Directors may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of them to be the chairman of the meeting.
117. A committee appointed by the Directors may meet and adjourn as it thinks proper. Subject to any regulations imposed on it by the Directors, questions arising at any meeting shall be determined by a majority of votes of the committee members present.
118. All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

SUPERVISORS AND AUDIT COMMITTEE

119. The Company shall establish either the Audit Committee or Supervisors. In the event that the Company establishes Supervisors, unless otherwise determined by the Company in the general meeting, the general meeting shall appoint any natural person or corporation to be a Supervisor, and the number of which shall be no less than three (3), of whom at least one (1) Supervisor shall reside in Taiwan. The professional qualifications, compositions, election and discharges of the Supervisors, the exercise of their powers, and other related matters shall comply with the Applicable Listing Rules.
120. Every Supervisor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Supervisors.
121. Supervisors shall audit the various financial statements and records prepared and submitted by the Directors to the general meeting, and shall produce a report of their findings and opinions at such meeting. In performing their duties under this Article, the Supervisors may appoint independent accountant(s) or lawyer(s) to conduct the auditing on their behalf.

122. A Supervisor shall not be concurrently a Director, an officer or other staff or employee of the Company.
123. Supervisors shall supervise the execution of business operations of the Company, and may at any time or from time to time investigate the business and financial conditions of the Company, examine the accounting books and documents, and request the Directors or officers to produce reports thereon. In performing their duties under this Article, the Supervisors may appoint, on behalf of the Company, practicing lawyer(s) and independent accountant(s) to conduct the examination.
124. When Directors discover the possibility that the Company will suffer substantial damage, the Directors shall report to the Supervisors immediately.
125. Supervisors may attend the meeting of the Directors and express their opinions therein. At the request of the Supervisors, the opinions of the Supervisors shall be recorded in the minutes of the meeting of the Directors. In case the Directors or any Director commits any act, in carrying out the business operations of the Company, in a manner in violation of the Law, the Applicable Listing Rules, these Articles or the resolutions of the annual general meeting or extraordinary general meeting, the Supervisors shall forthwith advise, by a notice, to the Directors or the Director, as the case may be, to cease such act.
126. (A) Subject to the Cayman Islands law, Member(s) who has/have been continuously holding 3 percent or more of the total number of the issued Shares of the Company for over one year may request in writing the Supervisors of the Company to institute, for and on behalf of the Company, an action against Director(s) of the Company; such action may be instituted in the Taipei District Court as the court of jurisdiction in the first instance.
- (B) In case the Supervisors fail to institute an action within 30 days after having received the request made under the preceding paragraph, subject to the Cayman Islands Law, the Members filing such request under the preceding paragraph may institute the action for and on behalf of the Company; such action may be instituted in the Taipei District Court as the court of jurisdiction.
- (C) In the event that the Company establishes the Audit Committee, the requests to be directed to the Supervisors specified in the preceding two paragraphs shall be directed to the Independent Director who serves as the member of the Audit Committee.
127. Each Supervisor may exercise their supervision power hereunder individually.
128. In case a Director conducts purchase/sale with, or borrows money from or conducts any legal act with the Company on his/her own account or for any other person, Supervisors shall act as the representative of the Company.
129. Subject to the Law and the Applicable Listing Rules, Supervisor(s) shall be, within his/her duties, bound by the fiduciary duties and the due care of a good administrator.
130. In the event all Supervisors of the Company are discharged, the Board of Directors shall, within 30 days thereof, convene an extraordinary general meeting to elect new Supervisors. After the Shares of the Company are listed, however, the extraordinary general meeting for the above purpose shall be convened within 60 days thereof.
131. Articles 75, 76, 77, 78, and 81 shall apply *mutatis mutandis* to Supervisors.
- 122A In the event that the Company establishes the Audit Committee, any stipulations related to Supervisors in these Articles shall apply *mutatis mutandis* to the Audit Committee or Independent Directors respectively according to the Applicable Listing Rules. In the event that the Company establishes the Audit Committee, and the professional qualifications, compositions,

election and discharges of its members, the exercise of their powers, and other related matters shall comply with the Applicable Listing Rules.

122B In the event that the Company establishes the Audit Committee, the following matters shall be subject to the consent of the Audit Committee and be submitted to the Board of Directors for a final consent:

- (a) Adoption or amendment of an internal control system.
- (b) Assessment of the effectiveness of the internal control system.
- (c) Adoption or amendment of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
- (d) A matter bearing on the personal interest of a Director.
- (e) A material asset or derivatives transaction.
- (f) A material monetary loan, endorsement, or provision of guarantee.
- (g) The offering, issuance, or private placement of any equity-type securities.
- (h) The hiring or dismissal of an attesting certified public accountant, or the compensation given thereto.
- (i) The appointment or discharge of a financial, accounting, or internal auditing officer.
- (j) Annual and semi-annual financial reports.
- (k) Any other material matter so required by the Company or the competent authority.

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

122C In the event that the Company establishes the Audit Committee, any matter related to the Audit Committee which has not been included in these Articles shall refer to the Applicable Listing Rules.

DIVIDENDS

132. (A) Subject to the Companies Law and these Articles, for so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, dividend or bonuses, except for compensation to employees and remuneration of Directors and Supervisors, may only be declared in NTD.

(B) As the Company is currently in the developing stage and will need funds for operating in the coming years, the distribution of Surplus Earnings shall be conducted according to Article 124.

123-1. (A) The Company shall distribute no lower than 0.15% of profit of the current year as employees' compensation, and no more than 2% of profit of the current year as directors and supervisors' remuneration. However, the company's accumulated losses shall have been covered.

(B) The profit distributable as employees' compensation may be distributed in stock dividends and/or cash dividends (for fractional Shares, the dividends shall be distributed in cash), and the

qualification requirements of employees including the employees of subsidiaries of the company meeting certain specific requirements, are entitled to receive shares or cash.

(C)“Profit of the current year” specified in Article 123-1(A) refers to the pre-tax income of the current year before deducting the profits attributable as employees’ compensation as well as directors and supervisors’ remuneration; the certain specific requirements are stipulated by the Board of Directors.

(D)The profits distribution to employees' compensation as well as directors and supervisors' remuneration shall be resolved by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, and shall be submitted to the shareholders' meeting.

133. (A)The Company shall not pay dividends, unless its losses shall have been offset and a Statutory Reserve shall have been set aside in accordance with the section(C) of this Article.

(B)The Company shall not pay dividends when there are no Surplus Earnings (as defined below) unless paid in accordance with Article 128(A).

(C)Where the Company has net profits for the then period at the end of the fiscal year, it shall off-set losses, and thereafter setting aside ten percent (10%) as Statutory Reserves provided however that the Statutory Reserve amounts equal to the total paid-up capital of the Company, this provision shall not apply. In the event that there is still the balance left ("Surplus Earnings"), unless otherwise provided in these Articles, it may add unappropriated retained earnings of previous years as bonus shares or dividends, the distribution proposal of which is proposed by the Board of Directors, declared and distributed by an Ordinary Resolution at an annual general meeting, and be allocated to the Members as bonus Shares or dividends according to the shareholding percentage of every Member. However, after finance, business and operation having been considered, the remainder allocated to the Members by way of bonus Shares or cash dividends shall not be less than 20 percent (20%) of the net profits for the then period in accordance with the Companies Law and the Applicable Listing Rules. The Members dividends will be distributed in stock dividends and/or cash dividends (for fractional Shares, the dividends shall be distributed in cash), and the cash dividends shall not be less than 30 percent (30%) of the total dividends distributed in the given year.

134. (A) Aside from the Statutory Reserve, the Company may, by Ordinary Resolution, set aside from its Surplus Earnings an additional amount as a special reserve ("Special Reserve") for such purpose as authorized by the Ordinary Resolution.

(B) Unless otherwise provided in these Articles and to the extent permitted by the Laws, the Statutory Reserve and the Capital Reserve shall not be used except for off-setting losses of the Company. The Company shall not use the Capital Reserve to off-set its capital losses, unless the Statutory Reserve and the Special Reserve are insufficient to off-set such losses.

135. Any resolution declaring a dividend, bonus Shares or other distribution on Shares of any class may specify that the same shall be payable or distributable to the persons registered as holders of such Shares at the close of business on a particular date.

136. Any dividend may be paid by cheque sent through the post to the registered address of the Member, or in the case of joint holders, to the holder whose name stands first in the Register in respect of the Shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque shall be made payable to the Member or the joint holders unless any of them has otherwise directed.

137. (A) Where the Company incurs no loss, it may, subject to the Companies Law, by Special Resolution (Taiwan) (a) capitalize its Statutory Reserve and following categories of Capital Reserve - Share Premium Account and/or income from endowments received by the Company - in

whole or in part, by issuing new, fully paid bonus Shares to its Members or (b) make distributions out of the Statutory Reserve and the Share Premium Account to its Members in cash. Where the Statutory Reserve is capitalized by issuing new Shares or is distributed in accordance with Article 128(A)(b), only the amount of the Statutory Reserve exceeding 25% of the paid-up capital of the Company may be capitalized or distributed.

(B) In the case where the Company issues new Shares to the existing Members by capitalization of its Reserves or due to an increase in the value of its assets upon revaluation, Article 11 shall not apply.

138. If several persons are registered as joint holders of any Share, any of them may give effectual receipts for any dividend or other moneys payable on or in respect of the Share.
139. No dividends shall bear interest against the Company.

ACCOUNTS AND AUDIT

140. The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Directors.
141. The books of account shall be kept at the Office or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
142. At the close of each financial year, the Board of Directors shall prepare and submit business reports, financial statements, and surplus earning distribution or loss off-setting proposals to the Supervisors for their auditing prior to the commencement of the annual general meeting of Members, and the Board of Directors shall then provide the aforementioned documents to the annual general meeting of Members for its ratification. After the documents are ratified by the annual general meeting, the Board of Directors shall distribute or announce to each Member copies of the ratified financial statements and resolutions on the earning distribution and/or loss offsetting.
143. The statements and records of accounts prepared by the Directors in accordance with the previous Article and any reports of the Supervisors on the Company's accounts or business shall be made available at the Office and at the office of the Members' Service Agent in Taiwan for inspection at any time by the Members commencing at least 10 days prior to the annual general meeting.
144. The accounts relating to the Company's affairs shall only be audited in such manner and with such financial year end as may be determined from time to time by the Directors, or required by the Applicable Listing Rules.
145. Each year the Directors shall prepare, or cause to be prepared, an annual return and declaration setting forth the particulars required by the Law and deliver a copy thereof to the Registrar of Companies in the Cayman Islands.
146. The Board of Directors shall keep at the Office and at the office of its Members' Service Agent in Taiwan copies of the Memorandum and Articles, the minutes of every meeting of the Members and the financial statements, the Register and the counterfoil of corporate bonds issued by the Company. Any Member of the Company may request, by submitting evidentiary document(s) to show his/her interests involved and indicating the scope of interested matters, an access to inspect and to make copies of any such accounting books and records.
147. The Board shall be entitled to release or disclose to any regulatory or judicial authority any information in its possession, custody or control regarding the Company or its affairs or any of its Member including, without limitation, information contained in the Register of Members and transfer books of the Company.

TENDER OFFER

148. Within ten days after the receipt of the copy of a tender offer application form and relevant documents by the Company or its litigation or non-litigation agent appointed pursuant to the Applicable Listing Rules, the Board of the Directors shall resolve to recommend to the Members whether to accept or object to the tender offer and make a public announcement of the following:
- (a) The types and numbers of the Shares held by the Directors, Supervisors and the Members holding more than 10 percent of the issued Shares in its own name or in the name of other persons.
 - (b) Recommendations to the Members on the tender offer, which shall set forth the names of the Directors who abstain or object to the tender offer and the reason(s) therefor.
 - (c) Whether there is any material change in the financial condition of the Company after the submission of the latest financial report and an explanation of the change, if any.
 - (d) The types, numbers and amount of the Shares of the tender offeror or its affiliates held by the Directors, Supervisors and the Members holding more than 10 percent of the issued Shares held in its own name or in the name of other persons. And
 - (e) Other related material information.

SHARE PREMIUM ACCOUNT

149. The Directors shall in accordance with Section 34 of the Law establish a Share Premium Account and shall carry to the credit of such account from time to time a sum equals to the amount or value of the premium paid on the issue in par value of any Share.
150. There shall be debited to any Share Premium Account on the redemption or purchase of a Share the difference between the par value of such Share and the redemption or purchase price provided always that at the discretion of the Directors such sum may be paid out of the profits of the Company or, if permitted by Section 37 of the Companies Law, out of Capital.

NOTICES

151. Any notice or document may be served by the company or by the person entitled to give notice to any Member either personally, by facsimile or by sending it through the post or via a recognised courier service addressed to the Member at his/her address as appearing in the Register of Members. In the case of joint holders of a Share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.
152. Any Member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.
153. Any notice or other document, if served by (a) post, shall be deemed to have been served five days after the time when the letter containing the same is posted, or, (b) facsimile, shall be deemed to have been served upon production by the transmitting facsimile machine of a report confirming transmission of the facsimile in full to the facsimile number of the recipient or (c) recognised courier service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service. In proving any notice or other document

having been duly served by post or courier service it shall be sufficient to prove that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier service.

154. Any notice or document delivered or sent by post to or left at the registered address of any Member in accordance with the terms of these Articles shall notwithstanding that such Member be then dead or bankrupt, and whether or not the Company has received notice of his/her death or bankruptcy, be deemed to have been duly served in respect of any Share registered in the name of such Member as sole or joint holder, unless his/her name shall at the time of the service of the notice or document, have been removed from the Register of Members as the holder of the Share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him/her) in the Share.
155. Notice of every general meeting of the Company shall be given to:
- (a) all Members holding Shares with the right to receive notice and who have provided to the Company an address for giving notices to them; and
 - (b) every person entitled to a Share in consequence of the death or bankruptcy of a Member, who would be entitled to receive notice of the meeting

Subject to the preceding paragraph in this Article, no other person shall be entitled to receive notices of general meetings.

INDEMNITY

156. Every Director, Supervisor, officer (each an “**Indemnified Person**”) shall be indemnified and secured harmless out of the assets and funds of the Company against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by him/her, other than by reason of his/her own dishonesty, willful default or fraud, in or about the conduct of the Company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his/her duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by him/her in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in the Cayman Islands or elsewhere.
157. For the benefit of every Director, Supervisor, and other officer for the time being and from time to time of the Company, the Company may purchase liability insurance for them (the “**Director and Officer Insurance**”); provided that the liability is limited to the performance of his/her duties pursuant to the Articles, Law and the Applicable Listing Rules.

FINANCIAL YEAR

158. Unless otherwise prescribed by the Directors, the financial year of the Company shall begin on January 1st of each year and shall end on December 31st of such year.

NON-RECOGNITION OF TRUSTS

159. No person shall be recognised by the Company as holding any Share upon any trust and the Company shall not, unless required by law, be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent or future interest in any of its Shares

or any other rights in respect thereof except an absolute right to the entirety thereof in each Member registered in the Register of Members.

WINDING UP

160. If the company shall be wound up the liquidator may, with the sanction of an Ordinary Resolution, distribute to the Members in specie the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purpose set such value as he/she deems fair upon any property to be distributed as aforesaid and may determine how such distribution shall be carried out as between the Members or different classes of Shares. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members, with the like sanction shall think fit, but so that no Member shall be compelled to accept any Shares or other securities whereon there is any liability.
161. The Company shall keep all statements, records of account and documents for a period of ten years from the date of the completion of liquidation and then reporting it to the court, and the custodian thereof shall be appointed by the liquidator or the Company by Ordinary Resolution.

AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION

162. Subject to the Companies Law and the Applicable Listing Rules, the Company may at any time and from time to time by Special Resolution alter or amend the Memorandum of Association or the Articles in whole or in part. However, in case the Company has issued preferred Shares, any amendment to the Articles prejudicial to the privileges of the Members holding preferred Shares shall also be approved by them.

REGISTRATION BY WAY OF CONTINUATION

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

AGENT FOR LITIGIOUS AND NON-LITIGIOUS MATTERS

164. For so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, the Company shall designate an agent for litigious and non-litigious matters in Taiwan in accordance with the Applicable Listing Rules and such agent shall be the responsible person of the Company in Taiwan. The aforementioned agent shall be a natural person and have a domicile or residence in Taiwan.

The Rules governing Shareholders' Meetings

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

Article 2. The rules of procedures for the Company's Shareholders' Meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3. Convening Shareholders' Meetings

Paragraph 1. Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of Directors. The Company shall prepare a manual for each general meeting and give a 30-day prior notice to the Shareholders. For Shareholders who hold registered stocks representing shares fewer than 1,000, the Company may make public announcement on the Market Observation Post System no later than 30 days prior to the scheduled meeting date. A notice to convene a special meeting of shareholders shall be given to each shareholder no later than 15 days prior to the scheduled meeting date. For shareholders who hold registered stocks representing shares fewer than 1,000, the Company may make public announcement on the Market Observation Post System no later than 15 days prior to the scheduled meeting date. The cause(s) or subject(s) of a general meeting to be convened shall be indicated in the individual notice and the public notice to be given to Members; and the notice may, as an alternative, be given by means of electronic transmission, after obtaining the prior consent of the recipient(s) thereof.

Paragraph 2. Matters pertaining to the election or discharge of Directors and Supervisors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by Directors, surplus earning 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 Article 185(1) of the Company Act, or in Articles 26(1) and 46(6) of the Securities and Exchange Act 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 extemporary motions.

Paragraph 3. Any Shareholder who holds one percent (1%) or more of the total number of issued shares of the Company may submit to the Company a proposal in writing for discussion at the annual general meeting. Only one proposal from each shareholder shall be discussed and any further proposal here the subject of the said proposal shall not be included in the agenda. Under any of the circumstances listed in Article 172(1)4 of the

Company Act, the Board of Directors may exclude the proposal submitted by a Shareholder from the list of proposals to be discussed at a general meeting.

Paragraph 4. Prior to the date on which share transfer registration is suspended before the convention of a regular Shareholders' Meeting, the Company shall give a public notice announcing acceptance of proposal in writing or by way of electronic transmission, the place and the period for shareholders to submit proposals to be discussed at the Meeting; and the period for accepting such proposals shall not be less than ten (10) days. The number of words of a proposal to be submitted by a shareholder shall be limited to not more than 300 words, and any proposal containing more than 300 words shall not be included in the agenda of the Shareholders' Meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular Shareholders' Meeting whereat his/her proposal is to be discussed and shall take part in the discussion of such proposal.

Paragraph 5. The company shall, prior to preparing and delivering the Shareholders' Meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the Shareholders' Meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the Meeting, the cause of exclusion of such proposals and explanation shall be made by the board of Directors at the Shareholders' Meeting to be convened.

Article 4. Power of Attorney for Shareholders' Meeting

Paragraph 1. A Shareholder may appoint a proxy to attend a general meeting on his/her behalf by executing a power of attorney prepared by the Company stating therein the scope of power authorized to the proxy.

Paragraph 2. A Shareholder may only execute one power of attorney and appoint one proxy for each general meeting, and shall serve such written proxy to the Company no later than five days prior to the date of the Shareholders' Meeting. In case the Company receives two or more written proxies from one Shareholder, the first one arriving at the Company shall prevail unless an explicit statement to revoke the preceding written proxy is made in the proxy which comes later.

Paragraph 3. After the serving of the power of attorney of a proxy to the Company, in case the Shareholder issuing the said proxy intends to attend the Shareholders' Meeting in person, a proxy rescission notice shall be filed with the company at least 2 days prior to the date of the Shareholders' Meeting to rescind the proxy at issue; otherwise, the voting power exercised by the authorized proxy at the Meeting shall prevail.

Article 5. Place and Time of Shareholders' Meeting

The Shareholders' Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time for commencing the said meeting shall not be earlier than 9 o'clock in the morning or later than 3 o'clock local time in the afternoon, and the opinions of Independent Directors shall

be soundly considered.

Article 6. Preparation of Documents such as Attendance Book

Paragraph 1. The Corporation shall furnish the attending shareholders or proxies (hereinafter referred to as the shareholders) with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

Paragraph 2. The Company shall furnish attending shareholders with the Meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors or Supervisors, pre-printed ballots shall also be furnished.

Paragraph 3. Shareholders attending the Shareholders' Meeting shall have attendance cards, sign-in cards or other certificates of attendance issued by the Company. The proxy Solicitor shall provide ID documents for verification.

Paragraph 4. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the Meeting.

Article 7. Shareholders' Meeting Chairperson and NON-VOTING PARTICIPANTS

Paragraph 1. If a shareholders meeting is convened by the board of Directors, the Meeting shall be chaired by the Chairperson of the board. When the Chairperson of the board is on leave or for any reason unable to exercise the powers of the Chairperson, the vice Chairperson shall act in place of the Chairperson; if there is no vice Chairperson or the vice Chairperson also is on leave or for any reason unable to exercise the powers of the vice Chairperson, the Chairperson shall appoint one of the managing Directors to act as chair, or, if there are no managing Directors, one of the Directors shall be appointed to act as chair. Where the Chairperson does not make such a designation, the managing Directors or the Directors shall select from among themselves one person to serve as chair.

Paragraph 2. It is advisable that Shareholders' Meetings convened by the board of Directors be attended by a majority of the Directors.

Paragraph 3. If a Shareholders' Meeting is convened by a party with power to convene but other than the board of Directors, the convening party shall chair the Meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.

Paragraph 4. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8. Documentation of Shareholders' Meeting by Audio or Video

The Company shall make an uninterrupted audio and video recording of the entire Shareholders' Meeting, and the recorded materials shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9. Attendance at and Resolutions of Shareholders' Meeting

Paragraph 1. Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

Paragraph 2. The chairperson shall call the Meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum of attending shareholders representing one third or more of the total number of issued shares is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the Meeting adjourned.

Paragraph 3. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.

Paragraph 4. When, prior to conclusion of the Meeting, the attending shareholders represent a majority of the total number of issued shares, the Chairperson may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10. Discussion of Proposals

Paragraph 1. If a Shareholders' Meeting is convened by the board of Directors, the Meeting agenda shall be set by the board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the Shareholders' Meeting.

Paragraph 2. The provisions of the preceding paragraph apply mutatis mutandis to a Shareholders' Meeting convened by a party with the power to convene that is not the board of Directors.

Paragraph 3. The chairperson may not declare the Meeting adjourned prior to completion of deliberation on the Meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the Meeting adjourned in violation of the rules of procedure, the other members of the board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the Meeting.

Paragraph 4. The Chairperson shall allow ample opportunity during the Meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed

sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 11. Shareholder Speech

Paragraph 1. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the Chairperson.

Paragraph 2. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Paragraph 3. Except with the consent of the Chairperson, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairperson may terminate the speech.

Paragraph 4. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the Chairperson and the shareholder that has the floor. The Chairperson shall stop any violation.

Paragraph 5. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

Paragraph 6. After an attending shareholder has spoken, the Chairperson may respond in person or direct relevant personnel to respond.

Article 12. Calculation of Voting shares and Recusal System

Paragraph 1. Voting at a shareholders meeting shall be calculated based the number of shares.

Paragraph 2. With respect to resolutions of Shareholders' Meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

Paragraph 3. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

Paragraph 4. The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

Paragraph 5. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13. Voting Results of Shareholders' Meeting

- Paragraph 1. A shareholder shall be entitled to one vote, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.
- Paragraph 2. When the Company 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. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the Meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.
- Paragraph 3. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the Shareholders' Meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.
- Paragraph 4. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the Shareholders' Meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the Shareholders' Meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the Meeting shall prevail.
- Paragraph 5. Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the Chairperson or a person designated by the Chairperson shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.
- Paragraph 6. In the resolution, if the Chairperson of the Meeting inquires and receives no objection, the proposal is deemed passed, with equivalent force as a resolution by vote. In the event of objection, the proposal shall be subject to voting as provided in the preceding paragraph.
- Article 7. When there is an amendment or an alternative to a proposal, the Chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 8. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the Chairperson, provided that all monitoring personnel shall be shareholders of the Company.

Article 9. Vote counting for Shareholders' Meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting shall be announced on-site at the Meeting, and a record made of the vote.

Article 14. Subjects of Election

Paragraph 1. The election of Directors or Supervisors at a Shareholders' Meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately.

Paragraph 2. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 15. Matters relating to the resolutions of Shareholders' Meeting

Paragraph 1. Matters relating to the resolutions of a shareholders meeting shall be recorded in the Meeting minutes. The meeting minutes shall be signed or sealed by the chair of the Meeting and a copy distributed to each shareholder within 20 days after the conclusion of the Meeting. The meeting minutes may be produced and distributed in electronic form.

Paragraph 2. The Company may distribute the Meeting minutes of the preceding paragraph by means of a public announcement.

Paragraph 3. The meeting minutes shall accurately record the year, month, day, and place of the Meeting, the Chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.

Paragraph 4. If the resolutions as mentioned in the preceding paragraph were made through having the attending shareholders inquired and having no objection received by the Chairperson, the phrase "adopted with unanimity after the Chairperson asked all shareholders in attendance." However, in the event of objection, the method and the number or proportion of the votes shall be recorded in the minutes of the Meeting.

Article 16. Public Disclosure

Paragraph 1. On the day of the shareholders meeting, the Company shall compile a statistical statement of the number of shares obtained by the solicitor through solicitation and the number of shares represented by the proxy agent, and shall make an express disclosure of the same at the site of the shareholders meeting.

Paragraph 2. For the resolutions of Shareholders' Meeting in respect of any material information as proscribed by the law and by Taiwan Stock Exchange Corporation (Taipei Exchange), public announcement shall be made timely on the Market Observation Post System.

Article 17. Maintaining Order at Meeting Place

Paragraph 1. Persons handling affairs of the Meeting shall wear identification cards or badges.

Paragraph 2. The Chairperson may conduct the disciplinary officers or the security guard to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges or identification cards marked "Disciplinary Officers" for identification purpose.

Paragraph 3. For those shareholders who use microphones other than the ones supplied at the premises may be refrained from speaking by order of the Chairperson.

Paragraph 4. Shareholders who violate the rules of the orders and refuse to obey the instructions given by the Chairperson, the Chairperson may order disciplinary officers or security guards to remove them from the premises.

Article 18. Recess and Resumption of Shareholders' Meeting

Paragraph 1. During the Meeting, the Chairperson may, at his/her discretion, set a time for intermission. In case of an incident of *force majeure*, the Chairperson may decide to temporarily suspend the Meeting and announce, depending on the situation, when the Meeting will resume.

Paragraph 2. If the Meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the Meeting agenda have been addressed, the Shareholders' Meeting may adopt a resolution to resume the Meeting at another venue.

Paragraph 3. A resolution may be adopted at a Shareholders' Meeting to defer or resume the Meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19. These Rules shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

Article 20. These Rules governing Shareholders' Meetings were set up on June 29, 2011. The first amendment was made thereto on December 19, 2011.

Shareholding of the entire Directors and Supervisors

The Directors and Supervisors of the Company hold shares in the following ratios and numbers:

The Company has issued 30,765,600 shares

The statutory minimum share ownership ratio of the entire Directors 15% *80%

The statutory minimum shareholding limitation for the entire Directors 3,600,000 shares

The statutory minimum share ownership ratio of the entire Supervisors 1.5% *80%

The statutory minimum shareholding limitation for the entire Supervisors 360,000

shares

Title	Name	shares currently held (Note 1)	
		Number of shares held (shares)	Ratio in Issued shares
President	HUANG,KUO-HUANG	8,477,136	27.55%
Director	LIN,LI-LING	5,616,604	18.26%
Director	WANG,MING-CHIH	1,348,452	4.38%
Director	WU,MING-HSIEN	1,211,460	3.94%
Director	HUANG,HSUN-YI	249,890	0.81%
Independent Director	LO,SHIH-WEI	0	0%
Independent Director	HO,CHEN	0	0%
Independent Director	CHEN,PO-TSANG	0	0%
Supervisor	WANG,CHIA-HAN	0	0%
Supervisor	Treasure Island Properties Co., Ltd.	736,120	2.39%
Supervisor	CHANGLING-YIN	0	0%
Number of shares actually held by the entire Directors		16,903,542	54.94%
Number of shares actually held by the entire Supervisors		736,120	2.39%

Note 1: The number represents the shares held by each and the entire Directors as of the Close Book Date of 2019 set for the Shareholders' general meeting (*i.e.* March 31, 2019), as recorded in the roster of shareholders.

Note 2: The number of shares held by the entire Directors and Supervisors as of the

Close Book Date of this year as recoded in the roster of shareholders has reached the required share ownership ratio as provided in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.”