

**Stock code: 1256**



**Sunjuice Holdings Co., Ltd.**

2021 Annual General Meeting

**Annual General Meeting (AGM) manual**

**(Translation)**

Meeting time: 11:00, 28<sup>th</sup> May, 2021

Meeting location: Nice Prince Hotel (No.600,  
Chung-Hsiao Road, Chiayi City, Taiwan, R.O.C)

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**One. 2021 Annual General Meeting Procedures of Sunjuice Holdings Co., Ltd.**

- I. Announcement of the commencement of the meeting (report the number of shares represented by shareholders present at the meeting)
- II. Chairman's speech
- III. Reporting matters
- IV. Acknowledgement matters
- V. Discussion matters
- VI. Ad-Hoc Motions
- VII. Adjournment

## **Two. 2021 Annual General Meeting Agenda of Sunjuice Holdings Co., Ltd.**

Time: 11:00, Friday, 28<sup>th</sup> May, 2021

Location: Nice Prince Hotel (No.600, Chung-Hsiao Road, Chiayi City, Taiwan, R.O.C)

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

II. Chairman announces the commencement of the meeting and gives speech

III. Reporting matters

Agenda 1: 2020 Business Report

Agenda 2: Review of the Closing Report for the Year 2020 by audit committee

Agenda 3: 2020 Employees and directors and supervisors' remuneration distribution report

Agenda 4. Revision of the Company's "Procedures for Board of Directors' Meetings"

IV. Acknowledgement matters

Agenda 1: To accept 2020 Business Report and Financial Statements

Agenda 2: To approve the proposal for distribution of 2020 earnings

### **Vote for above-mentioned agenda for acknowledgment**

V. Discussion matters

Agenda 1. Revision of the Company's "Rules of Procedure for Shareholders' Meetings"

Agenda 2. Revision of the Company's "Procedures for Election of Directors"

### **Vote for above-mentioned agenda discussion**

VI. *Ad-Hoc* Motions

VIII. Adjournment

### **Three. Reporting matters**

Agenda 1: Proposed by the Board of Directors

Item: 2020 business report. Please proceed to discuss.

Description: The Company's 2020 business report, please refer to this manual (Attachment I).

Agenda 2: Proposed by the board of directors

Item: Review of the Closing Report for the Year 2020 by audit committee. Please proceed to discuss.

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

Agenda 3: Proposed by the board of directors

Item: 2020 Employees, and directors and supervisors' remuneration distribution report.

Please proceed to discuss.

Description: in accordance with Article 122 of the Company's Memorandum and Articles of Association, depending on the profit situation of the Company for the year, the Company shall make allocation of employee compensation for at least 0.15%, while directors and supervisors' compensation shall not exceed 2%. Whereas there is accumulated deficit, the Company should compensate the accumulated deficit. The Company paid the directors and supervisors' compensation for NT\$3,764,000, and paid the employees' compensation for NT\$13,984,000 in cash, in the year 2020.

Agenda 4: Proposed by the Board of Directors

Item: Revision of the Company's "Procedure for the Board of Directors' Meetings" Please proceed to discuss.

Description: In order to comply with the amendment to the laws and regulations, the Company plan to revise Company's "Procedure for Board of Directors Meetings." Please refer to this manual (Attachment III) for the comparison table of the revised provisions.

## **Four.Acknowledgment matters**

Agenda 1: Proposed by the Board of Directors

Item: Acknowledgment of 2020 business report and financial statements. Please Acknowledge.

Description: I. The preparation of the Company's 2020 business report, the consolidated financial statement has been completed. Please refer to this manual (Attachment IV).

II. This item has been submitted to the board of directors for discussion and the review by audit committee has been completed, submitted to this Annual General Meeting for Acknowledgment in accordance with the laws.

Agenda 2: Proposed by the board of directors

Item: Acknowledgment of 2020 Appropriation of Earnings. Please acknowledge.

Description: I. Processed in accordance with the Cayman Islands' laws and the Company's Memorandum and Articles of Association.

II. Enclosed with 2020 Disposition of net earnings, please refer to this manual (Attachment V).

III. The Company's 2020 Disposition of net earnings have been reviewed by the board of directors and submitted to the 2021 Annual General Meeting for ratification and approval as well as for authorizing the Chairman to make a proposal regarding ex-dividends date and related matters and the authority to handle related matters in its entirety.

IV. If any cash dividends to be distributed to any single shareholder is a fractional amount (less than NT\$ 1), the total number of such fractional amount shall be allocated to those shareholders whose fractional amount shall be rounded up from the largest digits behind the decimal point to the smallest digits behind the decimal point until the total number of such fractional amount is allocated to zero.

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 acknowledgment**

## **Five. Discussion matters**

Agenda 1: Proposed by the Board of Directors

Item: Revision of the Company's "Rules of Procedure for Shareholders' Meetings" Please proceed to discuss.

Description: In order to comply with the amendment to the laws and regulations, the Company intends to revise the Company's "Rules of Procedure for Shareholders Meetings." Please refer to this manual (Attachment VI) for the comparison table of the revised provisions.

Agenda 2: Proposed by the board of directors

Item: Revision of the Company's "Procedures for Election of Directors." Please proceed to discuss.

Description: In order to comply with the amendments of the laws and regulations, the Company intends to revise its "Procedures for Election of Directors". Please refer to this manual (Attachment VII) for the comparison table of the revised provisions.

**Vote for above-mentioned agenda discussion**

**Seven. Ad-Hoc Motions**

**Eight. Adjournment**

## 2020 Business report

## I. 2020 Business report

## (I) Business plan implementation results:

Unit: New Taiwan Dollars (thousand)

Items	Year		Increase (decrease) amount	Changes percentage (%)
	2020	2019		
Operation Income	3,479,683	3,520,879	-41,196	-1.17%
Operating Costs	1,880,717	2,164,020	-283,303	-13.09%
Operating Gross Profit	1,598,966	1,356,859	242,107	17.84%
Operating Expenses	608,960	603,708	5,252	0.87%
Operating Net Profit	990,006	753,151	236,855	31.45%
Non-operating Income and Expenses	29,173	11,076	18,097	163.39%
Net Income before Taxes	1,019,179	764,227	254,952	33.36%
Income tax expenses	242,373	216,511	25,862	11.94%
Net Profit of Current Year	776,806	547,716	229,090	41.83%

(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)

Items	Year		Increase (decrease) amount	Changes percentage (%)	
	2020	2019			
Financial income	Operation Income	3,479,683	3,520,879	-41,196	-1.17%
	Operating Gross Profit	1,598,966	1,356,859	242,107	17.84%
	Interest income	4,156	3,953	203	5.14%
	Interest expense	5,097	11,571	-6,474	-55.95%
	Net Profit of Current Year	776,806	547,716	229,090	41.83%
Profitability	Return on assets (%)	23.29%	19.34%	3.95%	20.42%
	Return on shareholders' equity (%)	32.85%	28.54%	4.31%	15.10%
	Net profit rate (%)	22.32%	15.56%	6.76%	43.44%
	Basic earnings per share (NTD)	22.99	16.2	6.79	41.91%

#### (IV) Research development update:

The tea beverage market in mainland China has historic advantages, with large room in the market. As the modern living standards increase, pace of life moves faster, ways of tea drinking have become much more diverse. The overall tea beverage environment is beneficial, with new Chinese tea drinking bringing about new growth for traditional tea drinking. Over 340 million consumers purchased new-style tea beverages in mainland China in 2020, and the total market size exceeded RMB\$ 100 billion in 2020. People in their twenties and thirties represent the key target demographic of new-style tea beverage businesses. Female consumers dominate each age group. Data released by the National Statistics Bureau of China reveals that total revenues of the Chinese food & beverage sector amounted to RMB\$ 3.95 trillion in 2020, which represents a decrease by 16.6% compared to 2019. This decrease can be attributed to the impact of the COVID-19 epidemic. 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 drawn the attention of many entrepreneurs and investors. As a supplier in the food and beverage industry, the Company has also observed increasingly fierce market competition in this industry, and it has become evident that the business roadmap and development planning of enterprises need to be improved. Following the continuous improvement of environmental protection and food safety regulations, consumers demand more and more safe, healthy, delicious, and nutritious products. The need for personalized and customized products increases. The industry therefore needs an influx of professional talent, but the whole food and beverage industry faces difficulties in recruiting such talent. In order to survive and ensure positive development, mainland China catering enterprises, especially small and medium-sized food and beverage enterprises need to enhance their "internal skills" to optimize internal fundamental management and personnel training. We therefore strive to build corporate culture by upgrading the supply chain, optimizing our talent structure, and strengthening brand influence. Corporate competitiveness is strengthened through cost reduction and efficiency enhancement, organizational strength, commitment to corporate brand and culture paired with big data, smartification, and artificial intelligence.

The Company is firmly committed to talent training, product innovation, and active recruitment of food professionals. It strengthens the innovation and patent development capabilities of the R & D team and provide positive incentives measures. Development of new products and basic research represent the key mission of the Company's R & D personnel. Guided by the unique characteristics of natural, healthy, safe, and delicious products, the Company is dedicated to the development and improvement of high-quality products to meet demands for personalized food and beverage raw materials and bulk raw materials in the food industry and continues to provide customers with the optimized, customized products and services. At the same time, the Company conducts in-depth market research to identify the latest market trends and changes in consumer behavior, achieve market proximity, and determine customer needs. Precise market positioning and new product development planning are implemented to enhance product innovation and upgrades. In addition, the Company combine 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 2021 Operations Plan**

### (I) Business strategy:

The Company is deeply rooted in the beverage supply chain of the food and beverage industry and strives to realize a global layout with the ultimate goal of implementing the

Company's development policy of "Keeping 100% Healthy Through a Firm Commitment to Quality and Safety – the supply chain of food and beverage industry." We specialize in the research, development, and manufacture of fruit raw materials and flavoring additives. The Company has been established as a professional central kitchen in the industry and we strive to research market trends to promote new products with more stylish characteristics such as plant protein, crystal boba with functional elements, and new retail beverages. We are fully dedicated to achieving a synthesis of natural, health, safety, and great taste. 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

In 2020, the Company's operating revenues decreased by 1.17% compared to the previous year (3.57% if calculated with the functional currency RMB). The projected sales target has been reached. The good sales performance may be attributed to several factors including the dedicated efforts of all staff members as well as early deployment and preparation of products and production capacities during the epidemic, which has enabled us to satisfy market and customer demands in a timely manner under conditions of a rapid recovery of the new-style tea beverage industry in the post-epidemic era. We also expanded our deployment in Kunshan, Tianjin, and Guangdong by increasing our production, R&D, and service capabilities. In timely response to market changes, the Company accommodates consumer demands, strengthens customer relationship, and gets closer to the service market. To satisfy market demands for fresh and healthy drinks, new products such as aseptically packaged juice, flavor granules, healthy sugar, direct drink juice, plant protein, frozen fruit puree, and frozen fruit juice are launched to meet the upgraded demands of consumers in the new environment. In order to provide the local chain system customers with better services, the Company provides OEM and ODM customized services. Customized products currently account for over 50% of our product offerings for our customers. Through the Company's R&D, quality control, planning, and technology applications, the Company provides a full range of product solutions to our customers, thereby assisting them in increasing their product competitiveness and enhancing their profits. In 2021, sales, marketing, R&D, and quality control service teams for major customers were established under the direction of top executives. The goal lies in the provision of all-inclusive services for every major customer by harnessing our competitive edge in the fields of market trends, product development, product applications, product promotion, and sales data analysis, while maintaining diversified development of channels.

## (III) Key production and marketing policies:

The initiation of reforms and opening up of China has generated enormous opportunities and challenges for the food and beverage industry against the backdrop of consumption upgrades, the rise of group meals, capital intervention, smart technology penetration, a sweeping wave of new retail, and new social security taxation. The sudden impact of the COVID-19 epidemic in 2020 sent shockwaves through the global economy and plunged the whole world into a deep recession. This crisis also generated an unprecedented impact on economic and social development in China. The achievements of China in rapidly containing the epidemic, which earned the country worldwide acclaim, should be attributed to the precise policies and joint efforts by the Chinese Government to combat the epidemic.

Despite the severe impact of COVID-19 on the Chinese economy, an economic recovery was realized much faster than expected, turning China into the first major economy in the world that recorded a positive annual growth rate after the outbreak of the epidemic. The

economic growth rate reached 2.4% in 2020. As the second largest economy in the world, In 2021, China adopted various measures to further stimulate consumption and expand internal demand, while persisting in its efforts to implement active financial and stable monetary policies under the premise of a well-organized prevention and control of the epidemic. Against this backdrop, the Company is bound to face even more challenges and opportunities. In the face of evolving market competition patterns and consumer demands, personnel of the sales and marketing departments of the Company strive to proactively penetrate the market by conducting surveys of industry changes and consumer demands. Obtained data is compiled into market trend reports which are submitted to the R&D Department to facilitate the development of highly competitive products such as upgraded fruit crystal boba, frozen fruit pulp, rapid-frozen, instant tapioca pearls, and jelly product series. With a view to optimizing its product promotion modes, the Company has adopted a Corporate Wechat Account, Wechat Mini Program, TikTok Live Streaming, and Sunjuice KD to promote and popularize its products and culture and thereby intensify interactions with consumers. The ultimate goal is to enhance value through innovation and maintain the Company's market leadership position through its product and service offerings.

#### 1. Production strategy:

Deepening of the concept of lean workshop management and strive to improve the cost structure and internal processes, continued improvement and optimization ranging from the aspects of equipment utilization rate increase, production utilization rate improvement, energy consumption improvement, material loss control, etc. with the goal of reducing manufacturing costs and improving production. Continued promotion of improvement activities such as benchmark production, establishment of standard operating SOPs, and improvement of the stability of workshops. Optimization of production line deployment, completion of upgrades of aseptic packaging workshops, transformation of fruit puree assembly lines, addition of flavor granule production lines and equipment, enhancement of production capacities, satisfaction of customer order demands, and expansion of the foundation for cooperation with potential customers. Activation of Office Automation (OA), ERP (SAP), Warehouse Management (WMS), and Advanced Planning (APS) systems, continued improvement and deployment of automation and intelligent equipment in an effort to create intelligent factories. Adoption of SAP system, incorporation of advanced management concepts into corporate business models and actual business management, and elevation of corporate finance management to a new standard. Linkage of WMS and production, realization of product traceability, and cooperation with numerous renowned food & beverage systems. Completion of the production lines and production capacity deployment in the Guangdong and Tianjin Plants to ensure prompt delivery to large-system customers, realization of transfer of production and nearby delivery in line with customer delivery areas, improvement of production rationalization, and enhancement of customer satisfaction.

#### 2. Sales strategy:

Continued development of new markets, channels, and high quality customers. With a view to increasing the Company's product width, the R&D Department constantly develops new products and enhances the quality and stability of existing products in line with the demands of the market and integrated end consumers with the ultimate goal of enhancing the Company's competitiveness. In the field of product depth, the Company sets higher growth targets for popular product series such as flavor granules, healthy syrup, and plant protein to maximize market expansion. The Company continues to promote aseptically packaged juice, frozen juice, rapid-frozen fruit pulp, instant tapioca pearls, and juice with high fruit content to

increase their market share and create highly competitive signature products. It also aims to satisfy demands for natural, healthy, safe, and tasty products to cope with market upgrades. To achieve in-depth sales, the Company continues to develop third- and fourth-tier markets and joins hands with its distributors in serving medium- and small-system customers in their respective areas. In response to the ever-changing market, the Company enhanced the functions of the service team to gain the ability to satisfy changing customer needs in a prompt manner. Service will focus on influential top-tier chains nationwide to gain a clear understanding of customer needs, introduce exclusive, customized products, and design product application and function charts. All-in-one, practicable product solutions are provided to resolve client concerns.

### 3. R&D strategy:

With a view to enhancing product quality and diversification and providing customers with R&D innovation, cost analysis, and trial sale product support, the development and mass production of new items are effectively accelerated. R&D efforts focus on the development of eco-friendly, healthy products that conform to market demands in the fields of novelty, health, and mid- and high-end development trends. The R&D team is divided into several task forces which are responsible for different projects and customers. They penetrate the market on a regular basis by visiting customers and maintaining close interactions with customers and intensify partnerships. New products are developed in cooperation with customers in line with their individual needs. The Company strives to provide tailor-made, customized solutions to ensure distinctive segmentation patterns for its customers on sales channels.

## III. Impact of Operations

The food and beverage industry is expected to maintain its growth pattern due to the impact of spurred domestic demand and the dual circulation policy adopted by the Chinese Government. Upstream providers entering end channels has intensified competition in the industry. Direct usage of fruit, tea and milk as raw materials by leading brands in an effort to provide fresh and healthier products induced manufacturers with place of origin advantages to join the supply chain, thereby increasing cost pressure. In the face of new demands and fierce market competition, we have reorganized our product lines and optimized our product structure to strengthen the five key elements of fruit tea and enhance our competitive edge in the field of main ingredients (tea, milk, sugar, fruit, and flavor additives). Old products with lagging sales performance are eliminated with the goal of satisfying new consumer demand patterns.

During the early stages of the epidemic, the production locations of the Company were in a semi-operational state, production amounts, order volumes, and deliveries decreased significantly. The total sales volume from January to May dropped by 30% (a decrease by 45% and 85% was recorded in the first quarter and February, respectively), The sudden impact of the epidemic had a considerable impact on production and sales.

### 1. Challenges facing the Company

- (1) Scaled down sales targets, extended vacation periods, online office operations, delayed resumption of operations, and virtual standstill of economic activities has resulted in a dramatic decrease in order and sales volumes of the transportation, logistics, end consumer, and service industries. In accordance with current conditions and expectations, the Company decided in early March to raise its annual target by 2% YoY to RMB\$ 802,910,000.
- (2) In view of rising manpower costs and the spreading COVID-19 epidemic, the State Council notified businesses that the Lunar New Year vacation would be extended to February 2 to strengthen epidemic prevention and control. This was followed by the

successive announcement of delayed resumption of operations and adoption of relevant policies by local authorities. During this period, the Company still had to meet its expenses including salary payments to its employees and costs of epidemic prevention materials.

## 2. Coping strategies for the epidemic

### (1) Formation of an Epidemic Control & Emergency Response Task Force:

The Company established an Epidemic Command Task Force on February 6 to facilitate the scheduling of epidemic prevention tasks and ensure the smooth initiation of post-epidemic operations. As a result, the Company achieved its objective of zero infections.

### (2) Adjustment of company strategies

Inventories of Company cash flows, expenses, and net profits, coordination of up- and downstream supply and demand relationships, communication with regard to credit periods and accounts payable and receivable, clarification of resources, flexible arrangement of working hours, online office operations, cutting of expenses, elimination of losses, and increase of competitiveness.

### (3) Reinforced crisis awareness

The Company strives to reinforce the risk awareness of all departments and adopts contingency plans in the fields of production, quality control, R&D, environmental protection, and safety to enhance the risk resistance capabilities of the Company. When a crisis occurs, this prevention mechanism gives the Company a chance to distance itself from its competitors.

### (4) Stable supply chain

- ① Troubleshooting of upstream issues to ensure raw material supply
- ② Verification of transportation conditions to ensure efficient delivery of incoming and outgoing goods
- ③ Warehouse inventories and clarification of orders on hand to minimize the risk of delayed delivery
- ④ Assessment of credit lines and credit period support, payment tracking, and proactive adoption of loss reduction measures.

### (5) Organizational learning and training

During the epidemic, the R&D and Marketing Department Customer Service faced difficulties. Regular working hours were maintained to ensure stable development progress for new items. Timely market launch of new products is facilitated through utilization of new media such as Corporate Wechat Account, Wechat Mini Program, TikTok Live Streaming, and Sunjuice Classroom. The Marketing Department organizes numerous internal training courses on product knowledge. It also conducts appraisals of sales training results. The goal is to give sales personnel a firm grasp of product knowledge and promotion techniques. Online product training, recommendation of new items, and sharing of the latest product trends is scheduled for external audiences such as distributors, food & beverage chains, and major customers to maintain optimal market and customer adhesion.

### (6) Deployment of production capacities

In the early stages of the epidemic, the Company initiated planning for the enhancement of production capacities and deployment of production lines and equipment for the production of crystal boba in the Kunshan and Guangdong plants to ensure official commissioning in May. The goal was to guarantee stable supply of crystal boba products in the peak season. The Company's annual crystal boba sales exceed 2.3 tons.

Despite the impact of the epidemic on the regular operations of the Company, smooth initiation of operations was guaranteed through the solidarity and joint efforts of

all staff members as well as early preparations and reasonable planning. Consequently, positive growth was realized in June and historic highs were achieved in three consecutive months from July to September. This represented an enormous contribution to annual sales growth and allowed us to reach our sales targets.

#### **IV. Future Company Development Strategy**

1. The Company provides high-quality products, services, and solutions and positions itself as an industry leader of the food and beverage supply chain with a focus on the development of healthy, safe, stylish, and delicious products.
2. Utilization of big data platforms, creation of intelligent factories, and maintenance of in-depth cooperation with Tier 1 brands to deepen our influence.
3. Unlocking of up- and downstream supply chains and building of professional raw material bases to ensure stable supply of high-quality, safe materials.
4. Practice of CSR and commitment to transform the Company into a compassionate and highly respected enterprise.
5. Pro-active global market integration with the goal of turning into a member of the international supply chain.

2021 is the first year of the 14th Five-Year Plan and the new starting point of two centuries, An all-out effort is made to implement key measures to expand domestic demand and realization of consumption upgrades including stimulation of consumption, enhancement of traditional consumption, and fostering of new consumption modes by harnessing the new development paradigm characterized by dual circulation and mutual stimulation of domestic and overseas markets with a focus on internal circulation. In the wake of gradual market recovery, the service industry will exhibit post-epidemic recovery and growth. The wholesale and retail sector, the hospitality and food & beverage industry, and the transportation and logistics sector will match or surpass its original development standard. This is expected to spur growth in the service sector and inject new vitality into the food & beverage industry.

In 2020, China's GDP surpassed the 100 trillion mark, an increase by 2.3% over the previous year. A total of 23 cities recorded a GDP in excess of 1 trillion. The development gap between coastal and inland areas and East and West is gradually shrinking. Rapidly rising income standards provide citizens with more disposable income. The size of the middle class and the scale of consumption are steadily expanding, which is coupled with constant upgrades of consumption structures. Personal consumption has turned into the main motor of economic growth in China. The demand for visually appealing, delicious, fun, healthy, and safe beverages is constantly increasing, which generates stable growth for the food & beverage industry. The Company is currently at a watershed point as China enters a period of high-quality development. We are firmly committed to taking full advantage of the huge development potential projected for the future and embrace prosperity for all.

Sunjuice Holdings Co., Ltd.

CHAIRMAN:  
HUANG,KUO-HUANG

PRESIDENT: WANG,  
MING-CHIH

ACCOUNTING  
EXECUTIVE: CHEN,YI-JU

## **Attachment II**

### **Audit Committee Review Report**

The Board of Directors prepared the 2020 Business Report, Consolidated Financial Statement, and Earnings Distribution Proposal. The Consolidated Financial Statement was audited by CPA HSIEH, MING-CHUNG and CPA LU, YI-CHEN of Deloitte Taiwan and an audit report was issued. No nonconformities were detected in audits of the aforementioned Business Report, Consolidated Financial Statement, and Earnings Distribution Proposal by the Audit Committee. This report is respectfully submitted for review and approval pursuant to the provisions set forth in Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely

2021 General Shareholders' Meeting

Audit Committee convener: (seal/signature)

March 10, 2021

**Comparison table for the revision of the Company's "Procedure  
for Board of Directors' Meetings"**

Original Provisions	Amended Articles	Explanation
<p>Article 11 Discussion of proposals Paragraph 3 At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, Paragraph 3 shall apply mutatis mutandis.</p>	<p>Article 11 Discussion of proposals Paragraph 3 At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, <u>Paragraph 5</u> shall apply mutatis mutandis.</p>	<p>Revisions made in line with ordinances</p>
<p>Article 12 Matters require discussion by the Board of the Directors Paragraph 2 Annual Financial Report and Semi-Annual Financial Report with the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA)</p>	<p>Article 12 Matters require discussion by the Board of the Directors Paragraph 2 Annual Financial Report and <u>2<sup>nd</sup> Quarter Financial Report required to be audited and attested by a certified public accountant (CPA)</u></p>	<p>Revisions made in line with ordinances</p>

**Sunjuice Holdings Co., Limited and Subsidiaries**

**Consolidated Financial Statements for the  
Years Ended December 31, 2020 and 2019 and  
Independent Auditors' Report**

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Sunjuice Holdings Co., Limited

### **Opinion**

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audit of the consolidated financial statements for the year ended December 31, 2020 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. We conducted our audit of the consolidated financial statements for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission of the Republic of China on February 25, 2020, and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

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

Key audit matter of the Group's consolidated financial statements for the year ended December 31, 2020 is stated as follows:

### Revenue Recognition

In consideration of the materiality, auditing standard and recognition of sales revenue, which is considered as significant risk, the transactions of those main products have been identified as a key audit matter. Refer Note 4(k) for related accounting policies.

Our main audit procedures performed in respect of the above mentioned matter included the following:

1. We understood and tested the design and operating effectiveness of the key controls.
2. We obtained information about sales revenue derived from main products, and sampled the approved delivery note to test the occurrence of the revenue recognition.
3. We obtained the operating license and customer's declaration for the transactions involving contrasting payers that were stated in the order forms.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the

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

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

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ming-Chung Hsieh and I-Chen Lu.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 10, 2021

Notice to Readers

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

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

**SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2020 AND 2019**  
(In Thousands of New Taiwan Dollars)

ASSETS	2020		2019	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 557,080	16	\$ 305,885	10
Financial assets at fair value through profit or loss - current (Notes 7 and 26)	340,531	10	547,165	17
Notes receivable (Note 9)	4,808	-	5,778	-
Trade receivables (Notes 9 and 19)	284,579	8	279,641	9
Other receivables	15,707	-	5,097	-
Inventories (Note 10)	300,417	8	210,199	7
Prepayments (Note 14)	55,923	2	48,368	2
Other current assets	386	-	785	-
Total current assets	<u>1,559,431</u>	<u>44</u>	<u>1,402,918</u>	<u>45</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at amortized cost - non-current (Notes 8 and 26)	175,080	5	-	-
Property, plant and equipment (Note 12)	1,582,502	44	1,520,083	48
Right-of-use assets (Note 13)	127,700	4	129,887	4
Intangible assets	19,370	-	21,778	1
Deferred income tax assets (Note 21)	27,726	1	21,700	1
Prepayments of equipment (Note 14)	58,642	2	43,263	1
Refundable deposits (Note 14)	6,999	-	7,026	-
Total non-current assets	<u>1,998,019</u>	<u>56</u>	<u>1,743,737</u>	<u>55</u>
<b>TOTAL</b>	<b>\$ 3,557,450</b>	<b>100</b>	<b>\$ 3,146,655</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 15)	\$ 86,267	3	\$ 286,048	9
Contract liabilities - current (Note 19)	13,013	-	20,952	1
Trade payables (Notes 16 and 27)	201,691	6	187,979	6
Other payables (Note 17)	362,272	10	379,068	12
Current tax liabilities	36,345	1	37,658	1
Financial lease payables - current (Note 13)	1,299	-	1,748	-
Other current liabilities	861	-	891	-
Total current liabilities	<u>701,748</u>	<u>20</u>	<u>914,344</u>	<u>29</u>
<b>NON-CURRENT LIABILITIES</b>				
Deferred income tax liabilities (Note 21)	141,009	4	125,640	4
Financial lease payables - non-current (Note 13)	4,968	-	5,793	-
Deferred revenue - non-current (Notes 17 and 23)	13,218	-	13,293	1
Guarantee deposits received (Note 17)	25,772	1	29,216	1
Total non-current liabilities	<u>184,967</u>	<u>5</u>	<u>173,942</u>	<u>6</u>
Total liabilities	<u>886,715</u>	<u>25</u>	<u>1,088,286</u>	<u>35</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 18)</b>				
Capital				
Share capital	338,422	9	338,422	11
Capital surplus				
Additional paid-in capital	425,602	12	425,602	13
Retained earnings				
Reserve	241,627	7	186,813	6
Special reserve	145,105	4	68,828	2
Unappropriated earnings	1,589,611	45	1,152,324	37
Total retained earnings	<u>1,976,343</u>	<u>56</u>	<u>1,407,965</u>	<u>45</u>
Other equity				
Exchange differences arising on translation of foreign operations	(100,235)	(3)	(145,105)	(5)
Total equity attributable to owners of the Company	2,640,132	74	2,026,884	64
<b>NON-CONTROLLING INTERESTS</b>	<u>30,603</u>	<u>1</u>	<u>31,485</u>	<u>1</u>
Total equity	<u>2,670,735</u>	<u>75</u>	<u>2,058,369</u>	<u>65</u>
<b>TOTAL</b>	<b>\$ 3,557,450</b>	<b>100</b>	<b>\$ 3,146,655</b>	<b>100</b>

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

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 19 and 33)				
Sales	\$ 3,521,236	101	\$ 3,550,278	101
Sales returns	(32,470)	(1)	(24,975)	(1)
Sales allowance	<u>(9,083)</u>	<u>-</u>	<u>(4,424)</u>	<u>-</u>
Total operating revenues	3,479,683	100	3,520,879	100
OPERATING COSTS (Notes 10, 20 and 27)	<u>(1,880,717)</u>	<u>(54)</u>	<u>(2,164,020)</u>	<u>(62)</u>
GROSS PROFIT	<u>1,598,966</u>	<u>46</u>	<u>1,356,859</u>	<u>38</u>
OPERATING EXPENSES (Note 20)				
Selling and marketing expenses	(199,349)	(6)	(202,347)	(6)
General and administrative expenses	(299,346)	(8)	(287,339)	(8)
Research and development expenses	<u>(110,265)</u>	<u>(3)</u>	<u>(114,022)</u>	<u>(3)</u>
Total operating expenses	<u>(608,960)</u>	<u>(17)</u>	<u>(603,708)</u>	<u>(17)</u>
PROFIT FROM OPERATIONS	<u>990,006</u>	<u>29</u>	<u>753,151</u>	<u>21</u>
NON-OPERATING INCOME AND EXPENSES (Note 20)				
Other income	33,531	1	25,517	1
Other gains and losses	739	-	(2,870)	-
Finance costs	<u>(5,097)</u>	<u>-</u>	<u>(11,571)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>29,173</u>	<u>1</u>	<u>11,076</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	1,019,179	30	764,227	21
INCOME TAX EXPENSE (Note 21)	<u>(242,373)</u>	<u>(7)</u>	<u>(216,511)</u>	<u>(6)</u>
NET PROFIT FOR THE YEAR	776,806	23	547,716	15
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Exchange differences arising on translation to the presentation currency	<u>45,381</u>	<u>1</u>	<u>(77,907)</u>	<u>(2)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u>\$ 822,187</u>	<u>24</u>	<u>\$ 469,809</u>	<u>13</u>

(Continued)

## SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 778,199	22	\$ 548,142	16
Non-controlling interests	<u>(1,393)</u>	<u>-</u>	<u>(426)</u>	<u>-</u>
	<u>\$ 776,806</u>	<u>22</u>	<u>\$ 547,716</u>	<u>16</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 823,069	24	\$ 471,865	13
Non-controlling interests	<u>(882)</u>	<u>-</u>	<u>(2,056)</u>	<u>-</u>
	<u>\$ 822,187</u>	<u>24</u>	<u>\$ 469,809</u>	<u>13</u>
EARNINGS PER SHARE (Note 22)				
From continuing and discontinued operations				
Basic	<u>\$ 22.99</u>		<u>\$ 16.20</u>	
Diluted	<u>\$ 22.96</u>		<u>\$ 16.17</u>	

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

**SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

(In Thousands of New Taiwan Dollars)

	Equity Attributable to the Owners of the Company							Other Equity Exchange Differences on Translating Foreign Operations	Non-controllin g Interests	Total Equity
	Capital Stock - Common Stock		Capital Surplus	Retained Earnings			Total			
	Shares (In Thousands)	Amount		Reserve	Special Reserve	Unappropriat ed Earnings				
BALANCE AT JANUARY 1, 2019	30,766	\$ 307,656	\$ 425,602	\$ 142,650	\$ 36,041	\$ 902,645	\$ (68,828)	\$ 1,745,766	\$ 33,541	\$ 1,779,307
Appropriation of 2018 earnings										
Reserve	-	-	-	44,163	-	(44,163)	-	-	-	-
Special Reserve	-	-	-	-	32,787	(32,787)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(190,747)	-	(190,747)	-	(190,747)
Stock dividends distributed by the Company	3,076	30,766	-	-	-	(30,766)	-	-	-	-
Net profit for the year ended December 31, 2019	-	-	-	-	-	548,142	-	548,142	(426)	547,716
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	-	-	(76,277)	(76,277)	(1,630)	(77,907)
Total comprehensive income for the year ended December 31, 2019	-	-	-	-	-	548,142	(76,277)	471,865	(2,056)	469,809
BALANCE AT DECEMBER 31, 2019	33,842	338,422	425,602	186,813	68,828	1,152,324	(145,105)	2,026,884	31,485	2,058,369
Appropriation of 2019 earnings										
Reserve	-	-	-	54,814	-	(54,814)	-	-	-	-
Special Reserve	-	-	-	-	76,277	(76,277)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(209,821)	-	(209,821)	-	(209,821)
Net profit for the year ended December 31, 2020	-	-	-	-	-	778,199	-	778,199	(1,393)	776,806
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	-	44,870	44,870	511	45,381
Total comprehensive income for the year ended December 31, 2020	-	-	-	-	-	778,199	44,870	823,069	(882)	822,187
BALANCE AT DECEMBER 31, 2020	33,842	\$ 338,422	\$ 425,602	\$ 241,627	\$ 145,105	\$ 1,589,611	\$ (100,235)	\$ 2,640,132	\$ 30,603	\$ 2,670,735

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

**SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**  
**(In Thousands of New Taiwan Dollars)**

	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 1,019,179	\$ 764,227
Adjustments for:		
Depreciation expenses	149,807	89,684
Amortization expenses	4,063	3,794
Expected credit loss (reversal gain)	7,742	(4,264)
Net gain on fair value changes of financial assets at fair value through profit or loss	(11,740)	(12,319)
Finance costs	5,097	11,571
Interest income	(4,156)	(3,953)
Loss on disposal of property, plant and equipment	859	3,624
Impairment loss of non-financial assets	14,460	2,872
Reversal of impairment loss of non-financial assets	(1,635)	-
Government grants	(291)	(307)
Changes in operating assets and liabilities		
Notes receivable	970	214
Trade receivables	(13,036)	(83,362)
Other receivables	(7,083)	(98)
Inventories	(88,794)	37,925
Prepayments	(7,555)	15,817
Other current assets	395	(182)
Trade payables	(7,939)	6,741
Other payables	13,712	44,806
Contract liabilities	31,072	40,504
Other current liabilities	(30)	487
Cash generated from operations	1,105,097	917,781
Interest paid	(6,666)	(10,199)
Income taxes paid	(234,343)	(186,199)
Net cash generated from operating activities	<u>864,088</u>	<u>721,383</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of:		
Financial assets at amortized cost	(170,554)	-
Financial instruments at fair value through profit or loss	(2,841,133)	(2,181,989)
Property, plant and equipment	(156,113)	(274,775)
Intangible assets	(1,384)	(2,181)
Proceeds from disposal or redemption of:		
Financial instruments at fair value through profit or loss	3,051,341	1,909,122
Financial assets at amortized cost	-	31,527
Property, plant and equipment	3,823	2,475
Increase in prepayments for equipment	(103,927)	(211,879)
Increase in other financial assets	-	(5,706)
Decrease in other financial assets	4	35,102
Interest received	12,369	15,465

(Continued)

**SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019  
(In Thousands of New Taiwan Dollars)**

	<b>2020</b>	<b>2019</b>
Refundable deposit paid	(1,558)	(2,139)
Refundable deposit refunded	<u>1,703</u>	<u>5,437</u>
Net cash used in investing activities	<u>(205,429)</u>	<u>(679,541)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	135,031	448,403
Repayments of short-term borrowings	(334,307)	(383,449)
Repayments of long-term borrowings	-	(6,318)
Proceeds from guarantee deposits received	6,480	3,402
Returns of guarantee deposits received	(10,310)	(7,920)
Repayment of the principal portion of lease liabilities	(1,668)	(1,973)
Dividends paid to owners of the Company	<u>(209,821)</u>	<u>(190,747)</u>
Net cash used in financing activities	<u>(414,595)</u>	<u>(138,602)</u>
<b>EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>		
	<u>7,131</u>	<u>(108,375)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	251,195	(205,135)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		
	<u>305,885</u>	<u>511,020</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		
	<u>\$ 557,080</u>	<u>\$ 305,885</u>

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

## Attachment V

## Sunjuice Holdings Co., Ltd.

## 2020 Annual Profit Distribution Table

Unit: NTD

Items	Total
Beginning Period Undistributed Retained Earnings	811,411,184
adopting TIFRS adjustment	
initial account of special reserve with TIFRS	
adjusted Beginning Period Undistributed Retained Earnings	811,411,184
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	811,411,184
Net profit this period	778,199,935
account legal reserve (10%)	77,819,994
account special reserve in accordance to law	
account special reserve in accordance to law reversal	44,870,113
self-accounted special reserve	
self-accounted special reserve reversal	
Distributable Retained Earnings this period	1,556,661,238
Distributed Items	
Stock Dividends	
Cash Dividends	406,105,920
End of Period Undistributed Retained Earnings	1,150,555,318

Chairman: HUANG,KUO-HUANG  
General Manager:WANG,MING-CHIH  
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 the 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 dividends NT\$ 12 per share. Which will be distributed on a record date determined by the board of directors after approval from the Annual Meeting of Shareholders.

**Attachment VI**

**Sunjuice Holdings Co., Ltd.**

**Comparison table for revision of the Company’s “Rules of Procedure for Shareholders’ Meetings”**

Original Provisions	Amended Articles	Explanation
<p>Article 3 Convening shareholders’ meetings                      Paragraph 2 Election or dismissal of directors or supervisors, alteration of the Articles of Association, application for the approval of ceasing its status as a public company, approval of director competition, capital increase from earnings, capital increase from capital reserve, the dissolution, merger, or spin-off of the Company, or any matters as set forth in Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 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 by Ad-Hoc Motions. Its main content may be placed on the website designated by the securities authority or the Company, and its website shall be noted in the meeting notice.</p>	<p>Article 3 Convening shareholders’ meetings                      Paragraph 2 Election or dismissal of directors or supervisors, alteration of the Articles of Association, application for the approval of ceasing its status as a public company, approval of director competition, capital increase from earnings, capital increase from capital reserve, the dissolution, merger, or spin-off of the Company, or any matters as set forth in Article 185, paragraph 1 of the Company Act, <u>Articles 26-1 and 43-6 of the Securities and Exchange Act, and Article 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers</u> shall be listed and the essential contents shall be explained in the notice to convene a shareholders meeting. Such matters shall not be brought up in form of extemporary motions. Its main contents may be placed on the website designated by the competent securities authority or the Company. The website shall be specified in the meeting notice.</p>	<p>Revisions made in line with ordinances</p>

**Attachment VII                      Sunjuice Holdings Co., Ltd.**  
**Comparison table for revision of the Company’s “Procedures for Election of Directors”**

Original Provisions	Amended Articles	Explanation
<p>Article 11 A ballot is invalid under any of the following circumstances</p> <p>Paragraph 1. The ballot was not prepared by the board of directors.</p> <p>Paragraph 4. Where the candidate whose name is entered <u>in the ballot is a shareholder, but the candidate's account name and shareholder account number do not match those given in the shareholder register or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identification document number do not match.</u></p> <p>Paragraph 5 <u>Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identification document number)</u> and the number of voting rights allotted.</p> <p>Paragraph 6 <u>The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identification document number is provided in the ballot to identify such individual.</u></p>	<p>Article 11 A ballot is invalid under any of the following circumstances</p> <p>Paragraph 1 The ballot was not prepared by a <u>party with the power to convene.</u></p> <p>Paragraph 4 A cross-check shows that the entered name of the candidate does not match the name given on the director candidate list.</p> <p>Paragraph 5 Other words or marks are entered in addition to the allotted voting rights.</p>	<p>Revisions made in line with ordinances</p>

## **Appendix I**

**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, 2020)**

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**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, 2020)**

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
9. 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.
10. 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 28, 2020)**

#### **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**

1. 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;

**"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.

2. In these Articles, save where the context requires otherwise;
  - (a) words importing the singular number shall include the plural number and vice versa;
  - (b) words importing the masculine gender only shall include the feminine gender;
  - (c) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not;
  - (d) **"may"** shall be construed as permissive and **"shall"** shall be construed as imperative;
  - (e) 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.
3. 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**

4. (A) The business of the Company may be commenced as soon after incorporation.  
(B) When conducting its business, the Company will comply with the laws and regulations as well as business ethics and may take actions which will promote public interests in order to fulfill its social responsibilities.
5. 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**

6. 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.

- 6-1. (A) The Company shall not issue bearer shares.
- (B) The Company choosing to issue no par value shares shall not convert its shares into par value shares.
7. Unless otherwise provided in these Articles, the Directors may authorize the division of Shares into any number of Classes and the different Classes shall be authorized, 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.
8. 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.
9. 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 authorized 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.
10. The Company shall not issue any unpaid Shares or partly paid-up Shares. The Company shall not issue Shares in bearer form.
11. 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.
12. 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 any time 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. Except for the payment period for subscription of new shares stated in the notice is not less than one month, if the then Member delays payment for shares, the Company shall fix a period of not less than one month and call upon such subscribers to pay up, declaring that in case of default of payment within the stipulated period their right shall be forfeited. After the Company has made the aforesaid call, the subscribers who fail to pay accordingly shall forfeit their rights and the shares

subscribed to by them shall be otherwise sold. Under the aforesaid circumstances, compensation for loss or damage, if any, may still be claimed against such defaulting subscribers. 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.

13. 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.
14. 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 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.

15. (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**

16. 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.

17. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be 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**

18. 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**

19. 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.
20. 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.
21. 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.
22. The registration of transfers may be suspended when the Register of Members is closed in accordance with Article 37.
23. 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**

24. 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.

25. 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.
26. 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**

27. 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.
28. (A) The Company may by Special Resolution reduce its capital and any capital redemption reserve in any manner authorized 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**

29. 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 authorized by the Companies Law or Applicable Listing Rules, including out of its profits or the proceeds of a fresh issue of Shares.
30. 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").
31. (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.

32. 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.

33. 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.
34. 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.
35. The redemption or repurchase of any Share shall not be deemed to give rise to the redemption or purchase of any other Share.
36. Subject to the Law and the Applicable Listing Rules, the Directors may when making payments in respect of redemption or repurchase of Shares, if authorized 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**

37. 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.

38. 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**

39. All general meetings other than annual general meetings shall be called extraordinary general meetings.
40. 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.
41. 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.
42. 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.
- 42-1. Shareholders continuously holding 50% or more of the total number of outstanding shares of the Company for a period of three months or a longer time may convene a special shareholders' meeting. The calculation of the holding period and holding number of shares shall be based on the holding at the time of share transfer suspension date.

### **NOTICE AND PUBLIC ANNOUNCEMENT OF GENERAL MEETINGS**

43. (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 at least 30 days and 15 days prior to any annual general meeting and extraordinary general meetings, respectively.

44. The following matters shall be specified and described in the notice of a general meeting, and shall not be proposed as ad hoc motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the notice:
- (a) election or discharge of Directors;
  - (b) amendments to these Articles;
  - (c) reduction of capital;
  - (d) application for the approval of ceasing its status as a public company;
  - (e) dissolution, Merger or Spin-off, equity conversion of the Company;
  - (f) 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;
  - (g) the transfer of the whole or any material part of its business or assets;
  - (h) taking over another's whole business or assets, which will have a material effect on the business operation of the Company;
  - (i) carrying out private placement of its securities;
  - (j) granting waiver to the Director's engaging in any business within the scope of business of the Company;
  - (k) distributing part or all of its dividends or bonus by way of issuance of new Shares;
  - (l) transfer of Treasury Shares pursuant to Article 32; and
  - (m) 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 newly issued shares or 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.

45. 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**

46. 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.
47. 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 or in electronic means 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:
- (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;

- (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;
  - (c) Except for any of the following circumstances, the Directors of the Company shall include the proposal submitted by a Member in the list of proposals to be discussed at the general meeting:
    - i. Where the subject (the issue) of the said proposal cannot be settled or resolved by a resolution to be adopted at a general meeting;
    - 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;
    - iii. Where the said proposal is submitted on a day beyond the deadline fixed and announced by the Company for accepting Members' proposals; or
    - iv. Where the said proposal containing more than 300 words or more than one matters in a single proposal.
  - (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.
  - (e) A shareholder proposal proposed for urging the 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.
48. 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.
49. 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.
50. 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.
51. At any general meeting a resolution put to the vote of the meeting shall be decided on a poll.
52. 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.
53. In the case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote.

54. 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, acquisition or share exchange 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.

55. 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.

56. In the event any of the resolutions with respect to any of the following matters, any Member with objection against which may request the Company to repurchase his/her shares:

- (a) the Paragraph 1, Subparagraph (a), (b), (c) or (d) of Article 54;
- (b) spin-off or merger, acquisition or share exchange with other company; or
- (c) in accordance with any specific provisions under any applicable listing rules.

The Member filing a request under the preceding paragraph shall make it in writing within 20 days since the resolution of the general meeting was made and specify the price for buying back. In the event the price of the Shares repurchase is negotiated and agreed upon by and between the Company and the selling Member, the Company shall pay the repurchase price to such selling Member within 90 days upon the resolution date of the 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. Company fails to so pay the repurchase price to the selling Member shall deemed that it has agreed upon the repurchase price specified by the selling Member.

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

57. (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.

58. 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.

59. 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.

60. 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.

61. (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 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.

62. 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.

63. 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 respective 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.

64. 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.
65. 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.
66. (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**

67. (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.
68. 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.
69. 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.

70. 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**

71. 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**

72. 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.

73. (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 in such representative personal capacity. If there are two or more authorized representatives, each of them may be so elected.

74. (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.

75. 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.
76. 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 and independent directors shall adopt the candidate nomination mechanism in accordance with the Applicable Listing Rules.
77. 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.
78. (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 the general meeting held prior to the expiration of the term of the existing Directors decides 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.
79. 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.
80. There shall be no shareholding qualification for Directors.

#### **DIRECTORS' REMUNERATION AND EXPENSES**

81. 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.

82. (Deleted)

### **PROXY OF DIRECTOR**

83. 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**

84. 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 who is in the course of conducting the business operations shall take the same liability as the Director.

85. 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.

86. (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 and managerial officers.

87. 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.

88. 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.

89. 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.
90. 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**

91. 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**

92. 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.
93. 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**

94. 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:
  - (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 has not started serving the sentence, has not completed serving the sentence, or 5 years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
  - (b) has been sentenced to imprisonment for a term of more than one year by a final judgment for commitment of fraud, breach of trust or misappropriation, and has not started serving the sentence, has not completed serving the sentence, or 2 years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
  - (c) has been adjudicated guilty by a final judgment for committing the offense as specified in the Anti-corruption Act, and has not started serving the sentence, has not completed serving the sentence, or 2 years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
  - (d) has been adjudicated to be bankrupt or has been adjudicated of the commencement of liquidation process by a court and has not been reinstated to his rights and privileges;
  - (e) has been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet;
  - (f) incapacity or partial incapacity;

- (g) Has been adjudicated of the commencement of assistantship and such assistantship having not been revoked yet;
  - (h) resigns his/her office by notice in writing to the Company;
  - (i) is removed from office by Special Resolution (Taiwan).
- 94A. (A) A Director (not including the independent director) will be automatically discharged if, during his/her/its tenure, such Director transfers more than one half of the Shares held by him/her/it at the time of election; a Director will also be automatically discharged if the aggregated number of Shares transferred by such Director 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 (not including the independent director) 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 shall become invalid.
95. 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**

96. 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.
97. 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.
98. 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.
99. 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.
100. (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. In the merger/consolidation and acquisition by the Company, the director who has a personal interest in the transaction of merger/consolidation and acquisition shall explain to the Board meeting and the general meeting the essential contents of such personal interest and the cause of approval or dissent to the resolution of merger /consolidation or acquisition.
- (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.
- (C) 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.
101. 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.
102. A Director may hold any other office or place of profit under the Company 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 contract or arrangement 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.
103. 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.
104. 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.
105. 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.
106. 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.
107. 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.
108. 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.
109. 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.

#### **AUDIT COMMITTEE**

110. The Company shall establish the Audit Committee. Its professional qualifications, compositions, election and discharges, the exercise of its powers, and other related matters shall comply with the Applicable Listing Rules.
111. 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.

- 112. Subject to the Cayman Islands law, Member(s) who has/have been continuously holding 1 percent or more of the total number of the issued Shares of the Company for over six month may request in writing the independent directors of the Audit Committee 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.
- 113. In case the independent directors of the Audit Committee fail to institute an action within 30 days after having received the request made under the preceding article, subject to the Cayman Islands Law, the Members filing such request under the preceding article 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 in the first instance.
- 114. Subject to the condition that the board of directors does not or is unable to convene a meeting of shareholders, the independent directors of the Audit Committee may, for the benefit of the Company, call a meeting of shareholders when it is deemed necessary.
- 115. Subject to the Company Act, any matter related to the Audit Committee which has not been included in these Articles shall refer to the Applicable Listing Rules.
- 116. (A) Before any resolution of merger/consolidation and acquisition by the Board of Directors, the Company shall have the Audit Committee review the fairness and reasonableness of the plan and transaction of the merger/consolidation or acquisition, and then report the review results to the Board of Directors and the general meeting; provided that the Audit Committee may restrain from reporting to the general meeting if the laws of the foreign issuer's registered country does not require the merger/consolidation or acquisition to be resolved by the general meeting.  
  
(B) When the Audit Committee reviews matters, it shall seek opinions from an independent expert on the justification of the share exchange ratio or distribution of cash or other assets.  
  
(C) The review results of the Audit Committee and the opinions from the independent expert shall be sent to the Members together with the notice of the general meeting; provided that such matters regarding merger/consolidation and acquisition shall be reported to the latest general meeting if the laws of the foreign issuer's registered country does not require the merger/consolidation or acquisition to be resolved by the general meeting.
- 117. If the Company announces the same content as in those documents prescribed under the preceding article on a website designated by the competent securities authority of R.O.C. and those documents are prepared at the venue of the general meeting by the Company, those documents shall be deemed as having been sent to shareholders.
- 118. 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.
- 119. 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 123.
- 120. (A) The surplus earning distribution or loss off-setting proposal shall be proposed at the close of each fiscal year  
  
(B) The Company distributing surplus earning in accordance with the provision of the preceding paragraph shall estimate and reserve the taxes and duties 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.

(C) The Company shall, by a resolution adopted by a majority of the shareholders present who represent two-thirds or more of the total number of its outstanding shares of the Company, distribute surplus earning in the form of new shares to be issued by the Company. If the total number of shares represented by the shareholders present at a meeting of shareholders is less than the threshold aforementioned, the resolution may be adopted by a large majority of two thirds or more of the voting powers of the shareholders present at a shareholders' meeting who represent a majority of the total number of issued shares.

121. Surplus earning distribution or loss off-setting proposals shall be made based on the financial statements audited or reviewed by a certified public accountant.
122. (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' 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 this Article refers to the pre-tax income of the current year before deducting the profits attributable as employees' compensation as well as directors' remuneration; the certain specific requirements are stipulated by the Board of Directors.

(D) The profits distribution to employees' compensation as well as directors' 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.

#### **DIVIDENDS**

123. (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.

124. 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.
125. 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.
126. 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.

127. 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.
128. (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.
129. 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.
130. No dividends shall bear interest against the Company.

#### **ACCOUNTS AND AUDIT**

131. 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.
132. 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.
133. 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 Audit Committee for their auditing 30 days 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.
134. The statements and records of accounts prepared by the Directors in accordance with the previous Article 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.
135. 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.
136. 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.
137. (A) 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, transcribe and to make copies of any such accounting books and records. The Company shall have its Members' Service Agent to provide with such accounting books and records.
- (B) The board of directors or other authorized conveners of shareholders' meetings may require the Company or its Members' Service Agent to provide with the roster of shareholders.
138. 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**

139. 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 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 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**

140. 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.
141. 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**

142. 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 recognized 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.
143. 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.
144. 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) recognized 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.
145. 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.

146. 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**

147. Every Director and 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.

148. For the benefit of every Director 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**

149. 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**

150. No person shall be recognized 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 recognize (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**

151. 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.

152. 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**

153. 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**

154. 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**

155. 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.



meeting of shareholders, and shall not be brought up by Ad-Hoc Motions. Its main content may be placed on the website designated by the securities authority or the Company, and its website shall be noted in the meeting notice.

Paragraph 3 If there is listed in the meeting notice that all directors will be elected and its onboard date, after election, the onboard cannot be changed by Ad-Hoc Motions or other method.

Paragraph 4 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 for discussion at the annual general shareholders' 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. However, where the shareholder proposal is a proposal to urge the Company to promote public interest or fulfill its social responsibilities, the board of directors may still include the proposals in the list of proposals to be discussed at a general meeting. In addition, when the circumstances of any sub-paragraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Paragraph 5 Prior to the book closure date before a regular shareholders' meeting is held, the Company shall publicly announce that it will receive shareholder proposals. Written or digital submission methods and the location and time period for their submission shall be clearly specified; the period for submission of shareholder proposals shall not be less than 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 6 The company shall, prior to preparing and delivering the Shareholders' Meeting notice, inform, by a notice, all shareholders who have submitted proposals of the 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' Meetings

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 authorization.

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 delivered proxy 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 meeting commencement time 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 in, 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 data.

Where there is an election of directors, 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 Where 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 Chairman and NON-VOTING PARTICIPANTS

Paragraph 1 If a shareholders' meeting is convened by the board of Directors, the Meeting shall be chaired by the Chairman of the board. When the Chairman of the board is on leave or for any reason unable to exercise the powers of the Chairman, the vice Chairman shall act in place of the Chairman; if there is no vice Chairman or the vice Chairman also is on leave or for any reason unable to exercise the powers of the vice Chairman, the Chairman 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 Chairman 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 chair 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 chairman 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 Chairman may re-submit 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. Relevant proposals (including extemporary motions and amendments to original proposals) shall be voted on separately. 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 chairman may not declare the Meeting adjourned prior to completion of deliberation on the Meeting agenda of the preceding two paragraphs (including extemporary 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 chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extemporaneous 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 and schedule sufficient time for voting.

#### 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 shall be set by the chair.

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

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 chair and the shareholder that has the floor. The chair shall stop any violations.

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 chair 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 on 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 on 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 shall implement exercise of voting rights by electronic means and may implement exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the Meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.

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 at least 2 days prior to 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, at least 2 days prior to 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 Association, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the Chairman shall first announce the total number of voting rights represented by the attending shareholders.

Paragraph 6 Where the chair of the Meeting receives no objections from any shareholders in attendance upon inquiry, the proposal shall be deemed passed, with the same binding force as a resolution by vote. In the event of objections, the proposal shall be subject to voting as provided in the preceding paragraph.

Paragraph 7 When there is an amendment or an alternative to a proposal, the Chairman 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.

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

Paragraph 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 Election matters

Paragraph 1 The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately.

Paragraph 2 The ballots for the election referred to in the preceding paragraph shall be sealed and affixed 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 pertaining to the resolutions of a shareholders' meeting shall be recorded in the Meeting minutes. The chair shall affix his/her signature or seal to the meeting minutes and a copy thereof shall be 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 referred to in the preceding paragraph by means of a public announcement.

Paragraph 3 The meeting minutes shall accurately record the year, month, day, and venue of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and the voting results (including statistical tallies). Where directors are elected, the meeting minutes shall disclose the number of votes for each candidate. It shall be retained for the duration of the existence of the Company.

Paragraph 4 If the resolutions as specified in the preceding paragraph were adopted through inquiry of attending shareholders who raised no objections to the proposal, it shall be recorded in the minutes that the proposal was "adopted unanimously after the chair asked all shareholders in attendance." However, in the event of objection, the method and the number or proportion of the votes in favor 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 statistics in

the required format 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 If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (Taipei Exchange), the content of such resolutions shall be uploaded to the Market Observation Post System within the prescribed time limit.

#### Article 17 Maintaining Order at the Meeting Place

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

Paragraph 2 The chair may direct the proctors or security personnel to help maintain order at the meeting place. Such disciplinary officers or security guards shall wear badges or identification cards marked "Disciplinary Officers" for identification purpose.

Paragraph 3 At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

Paragraph 4 When a shareholder violates the rules of procedure and defies the chair's instructions, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

#### Article 18 Recess and Resumption of a Shareholders' Meeting

Paragraph 1 During the Meeting, the chair may, at his/her discretion, set a time for recess. In case of a *force majeure* event, the chair 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 and all amendments hereto shall be effective from the date of approval by the Shareholders' Meeting.

**Appendix III****Sunjuice Holdings Co., Ltd.****Current shareholding of directors and supervisors of Sunjuice****Holdings Co., Ltd.**

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

The Company has issued 33,842,160 shares

The legal requirement of shareholding percentage to be owned by directors of the Company is 10% \*80%.

The legal requirement of shares to be owned by directors of the Company is 3,600,000 shares.

The legal requirement of shareholding percentage to be owned by supervisors of the Company is 1% \*80%.

The legal requirement of shares to be owned by supervisors of the Company is 360,000 shares.

Title	Name	Current shareholdings (Note 1)	
		Number of shares held (shares)	Ratio in Issued shares
Chairman	HUANG,KUO-HUANG	9,181,849	27.13%
Director	LIN,LI-LIN	6,178,264	18.25%
Director	WANG,MING-CHIH	1,462,147	4.32%
Director	WU,MING-HSIEN	1,242,406	3.67%
Director	HUANG,HSUN-YI	319,879	0.95%
Independent Director	LO,SHIH-WEI	0	0%
Independent Director	HE,CHEN	0	0%
Independent Director	CHEN,PO-TSANG	0	0%
Number of shares actually held by the entire Directors		18,384,545	54.32%

Note 1: The number represents the shares held by each and the entire Directors as of the Close Book Date of 2021 set for the Shareholders' general meeting (*i.e.* March 10, 2021), 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 recorded 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."