

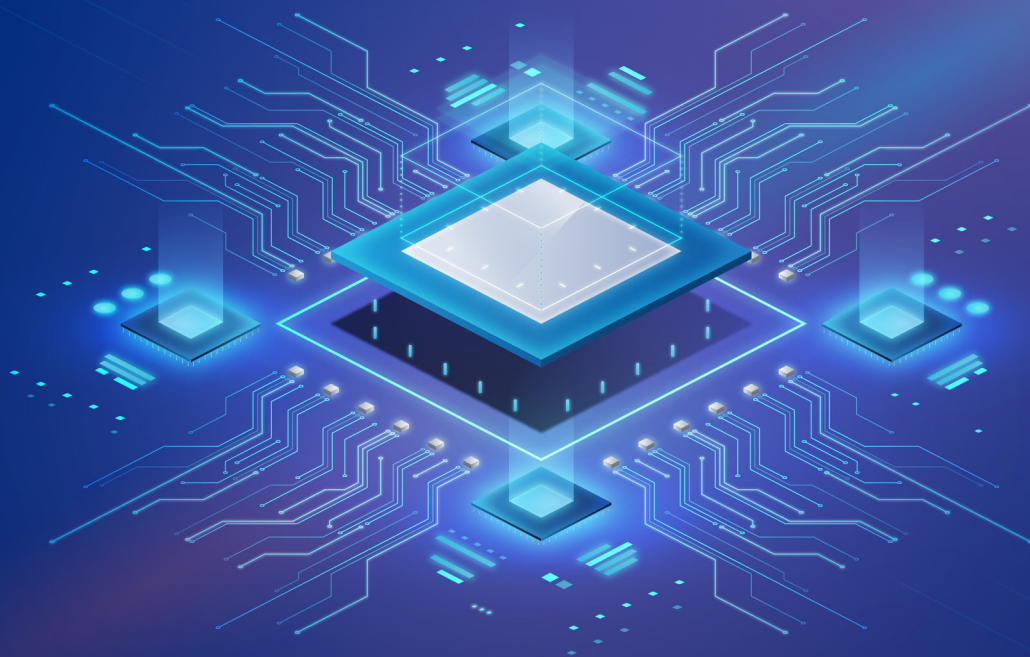


臻鼎科技控股
Zhen Ding Tech. Holding

Stock Code : 4958

2025

Annual Shareholders' Meeting Meeting Handbook



Date and Time: 9:00 a.m., May 29, 2025

Venue: No.6, Lane 28, Sanho Road, Sanshi Village, Dayuan District,
Taoyuan City, Taiwan (conference room on the 1st floor)

Convention Method: Hybrid Shareholders' Meeting

Video conferencing platform:

Stock Services Platform of Taiwan Depository & Clearing Corporation

<https://stockservices.tdcc.com.tw/evote/index.html>

THIS IS A TRANSLATION OF THE HANDBOOK OF ZHEN DING TECHNOLOGY HOLDING LIMITED (THE "COMPANY"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE HANDBOOK SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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Zhen Ding Technology Holding Limited

2025 Annual Shareholders' Meeting Procedure

- I. Meeting Commencement**
- II. Chairman's Address**
- III. Report Items**
- IV. Ratification Items**
- V. Discussion Items**
- VI. Extraordinary Motions**
- VII. Adjournment**

Zhen Ding Technology Holding Limited

2025 Annual Shareholders' Meeting Agenda

Date and Time: 9:00 a.m., May 29, 2025

Venue: No.6, Lane 28, Sanho Road, Sanshi Village, Dayuan District, Taoyuan City, Taiwan (conference room on the 1st floor)

Convention Method: Hybrid Shareholders' Meeting

- I. Call the Meeting to Order (Declare the total number of shares of attendance)
- II. Chairman's Address
- III. Report Items
 - (1) The Company's 2024 Business Report.
 - (2) 2024 Audit and Risk Committee's Review Report.
 - (3) Distribution of Employees' Profit Sharing and Directors' Remuneration for 2024.
 - (4) Distribution of Cash Dividends for 2024.
 - (5) Issuance and Execution of Overseas Unsecured Convertible Bonds.
 - (6) Amendments to the Company's "Rules and Procedure for Board of Directors Meetings."
 - (7) Proposals submitted by shareholders with shareholding of more than 1%.
- IV. Ratification Items
 - (1) Ratification of 2024 Business Report and Consolidated Financial Statements.
 - (2) Ratification of the 2024 Earnings Distribution.
- V. Discussion Items
 - (1) Amendments to the Company's "Articles of Association."
 - (2) Amendments to the Company's "Procedures for Lending Funds to Other Parties."
 - (3) Amendments to the Company's "Procedures for Acquisition and Disposal of Assets," "Policies and Procedures for Financial Derivatives Transactions," and "Procedures for Endorsements and Guarantees."
- VI. Extraordinary Motions
- VII. Adjournment

Report Items

Report 1: **2024 Business Reports.**

Explanatory Notes: For the 2024 Business Report, please refer to pages 9 to 11 of Attachment 1 of this Handbook.

Report 2: **The 2024 Audit and Risk Committee's Review Report is submitted.**

Explanatory Notes: For the 2024 Audit and Risk Committee's Review Report, please refer to page 12 of Attachment 2 of this Handbook.

Report 3: **The distribution of employees' profit sharing and directors' remuneration for 2024.**

Explanatory Notes: The Company's profit (net profit before tax and the remuneration to employees and directors) was NT\$11,131,810,612 for 2024, among which:

1. Employees' profit sharing: Surplus profits of 3% in the amount of NT\$333,954,318 was distributed in cash to employees including employees of subsidiaries who meet certain criteria.
2. Directors' remuneration: according to the Articles of Association, directors' remuneration shall not exceed 0.5% of profits. The total amount of NT\$55,658,942 has been allocated.
3. The proposal has been discussed and approved by the Remuneration Committee on March 10, 2025 and the Board of Directors on March 11, 2025.

Report 4: **Distribution of Cash Dividends for 2024.**

Explanatory Notes:

1. According to Article 13.4 of the Articles of Association, the Board of Directors is authorized to distribute cash dividends and report to shareholders at the Shareholders' Meeting.
2. Based on the 956,652,509 outstanding ordinary shares issued as of December 31, 2024, the cash dividend per share for distribution is NT\$4.8, rounded down to the nearest NT\$ 1, totaling NT\$4,591,932,043. The total fractional amount is listed in the Company's other income.
3. The Chairman is authorized to determine ex-dividend date, distribution date, and other relevant matters. If changes to shareholders' dividends arise due to changes in the number of outstanding shares, the Chairman is also authorized to handle relevant matters.

Report 5: **The Issuance and Execution of Overseas Unsecured Convertible Bonds Report is submitted.**

Explanatory Notes: The Company's fourth foreign non-guaranteed convertible corporate bonds were issued on January 24, 2024, with a total issuance amount of USD 400,000,000. As of March 31, 2025, the amount converted into common stock is US\$32,500,000. The number of common shares is 9,603,348 shares, and the outstanding balance is US\$367,500,000.

Report 6: **Amendments to the Company's "Rules and Procedure for Board of Directors Meetings" are submitted.**

Explanatory Notes: The Company's "Rules and Procedure for Board of Directors Meetings" have been partially amended in accordance with the FSC letter Jin-Guan-Zheng-Fa-Zi No. 1120383996 dated January 11, 2024. Please refer to Attachment 3 on pages 13 to 14 of this Handbook.

Report 7: **Proposals submitted by shareholders with shareholding of more than 1% is submitted.**

Explanatory Notes: According to Article 22.6 of the Articles of Association, shareholders' proposals shall be proposed to the Shareholders' Meeting during the shareholders' proposals period. No shareholder's proposal is raised during the said period.

Ratification Items

Proposal 1

Proposed by the Board of Directors

Subject: Ratification of 2024 Business Report and Consolidated Financial Statements.

Explanatory Notes:

1. The Company's Consolidated Financial Statements for 2024 were audited by independent auditors, CPA Hsu, Sheng-Chung and CPA Hsu, Chieh-Ju of the CPA firm, PricewaterhouseCoopers (PwC) Taiwan.
2. For the 2024 business report, independent auditors' report and consolidated financial statements, please refer to Attachment 1 on pages 9 to 11 and Attachment 4 on pages 15 to 27 of this Handbook.
3. Please proceed to acknowledge.

Voting Results:

Proposal 2

Proposed by the Board of Directors

Subject: Ratification of the 2024 earnings distribution.

Explanatory Notes:

1. The net profit after tax of the Company's parent company for 2024 was NT\$9,179,689,658 and the retained earnings available for distribution for the year was NT\$49,011,632,875.
2. For the 2024 Earnings Distribution Table, please refer to Attachment 5 on page 28 of this Handbook.
3. Please proceed to acknowledge.

Voting Results:

Discussion Items

Proposal 1

Proposed by the Board of Directors

Subject: **Amendments to the Company's "Articles of Association."**
Please discuss.

Explanatory Notes:

1. Partial amendment of the Company's "Articles of Association" is proposed in accordance with the Taiwan Stock Exchange letter Tai-Zheng-Shang-II-Zi No. 1131701804 dated May 2, 2024 regarding the amendments to the regulations of the "Check List for the Protection of Shareholders of Issuer Registered in Foreign Country," and in line with the integration of the Company's Risk Management Committee into the Audit Committee, renamed as the "Audit and Risk Committee."
2. For the comparison table of the amended provisions, please refer to Attachment 6 on pages 29 to 34 of this Handbook.
3. The Company's registered agent is authorized to make a necessary declaration to the Cayman Islands company registration office after the shareholders meeting approves this proposal.
4. Please proceed to discuss.

Voting Results:

Proposal 2**Proposed by the Board of Directors**

Subject: **Amendments to the Company's "Procedure for Lending Funds to Other Parties." Please discuss.**

Explanatory Notes:

1. Partial amendment of the Company's "Procedures for Lending Funds to Other Parties" is proposed to comply with the local laws and regulations of overseas subsidiaries, enhance flexibility of financial operations, and in accordance with the incorporation of the Company's Risk Management Committee into the Audit Committee, renamed as the "Audit and Risk Committee."
2. For the comparison table of the amended provisions, please refer to Attachment 7 on pages 35 to 37 of this Handbook.
3. Please proceed to discuss.

Voting Results:

Proposal 3**Proposed by the Board of Directors**

Subject: **Amendments to the Company's "Procedures for Acquisition and Disposal of Assets," "Policies and Procedures for Financial Derivatives Transactions," and "Procedures for Endorsements and Guarantees" submitted for approval.**

Explanatory Notes:

1. Partial amendment of the Company's "Procedures for Acquisition and Disposal of Assets," "Policies and Procedures for Financial Derivatives Transactions," and "Procedures for Endorsements and Guarantees" is proposed in accordance with the incorporation of the Company's Risk Management Committee into the Audit Committee, renamed as the "Audit and Risk Committee."
2. For the comparison table of the amended provisions, please refer to Attachments 8 to 10 on pages 38 to 54 of this Handbook.
3. Please proceed to discuss.

Voting Results:

Extraordinary Motions

Adjournment

Zhen Ding Technology Holding Limited

Business Report

In 2024, the political and economic landscape has been full of ups and downs. Factors such as inflation, monetary policies, and geopolitical tensions have posed numerous challenges for businesses. In the face of this complex market environment, Zhen Ding Tech Group has achieved significant progress across the board through the joint efforts of all employees and in close collaboration with strategic partners, customers, and shareholders. The Company's total revenue reached NT\$171.664 billion, with outstanding performance in all four major application segments. Notably, the Company's revenues from mobile communications, IC substrates and servers, automotive, and optical communications all hit record highs. The increasingly higher demand of AI products for hardware performance is driving advancements in product architecture design and materials. The Company anticipates accelerated growth in the coming year, which is expected to continue generating new opportunities and growth momentum.

The Company's 2024 business overview and future outlook.

I. Revenue Overview

In 2024, our consolidated revenue was NT\$171.664 billion, increasing by 13.4% compared to 2023. Our consolidated net profit after tax was NT\$13.096 billion (the consolidated net profit after tax attributable to the parent company was NT\$9.180 billion), increasing by 38.9% compared to 2023. The earnings per share of the consolidated net profit after tax attributable to the parent company was NT\$9.67.

II. Understand Industry Trends and Strengthen Global Presence

Following the wave of technological innovation, and against the backdrop of rapid advancements in artificial intelligence, the Company is actively deploying AI applications across the "cloud, network, and edge." We are driving the digitalization and greenification of the PCB industry. In 2024, AI-related products accounted for 45% of the Company's consolidated revenue, and this figure is expected to exceed 70% in 2025. In the AI server sector, the Company is already involved in prototyping next-generation products and new architectures with our customers. For optical communication products, we have successfully entered mass production and the products are contributing to revenue. High-end products are also undergoing customer sampling and certification. In the AI-related consumer electronics segment, such as smartphones and computers, the Company is actively collaborating with customers on the development of new products. In the future, demand for advanced PCBs featuring finer lines and higher layer counts is expected to continue rising.

To meet the growing production capacity demands driven by product iterations, the Company has continued to expand our capacity investments in the Shenzhen, Huai'an, and Qinhuangdao campuses. In anticipation of the sustained strong demand for high-end products driven by AI, the Company has taken proactive steps by planning to transform the Kaohsiung plant into an AI campus, which will be dedicated to the design and manufacturing of related advanced products. The Company has also established an R&D center in line with customer product and technology development to support the increasing global demand for AI and high-end products. We aim to strengthen the Company's competitive edge in the market. In addition to its existing flexible PCB production capacity, the Kaohsiung AI campus has also announced plans to invest NT\$8 billion and NT\$2 billion in the establishment of production capacity for ABF substrates used in advanced packaging and high-layer-count, high-density (HLC+HDI) rigid PCBs, respectively. These investments are aimed at meeting the comprehensive AI product application needs of our customers.

The new plant in Prachinburi, Thailand, which broke ground in December 2023, completed equipment installation for phase 1 in February 2025. Trial production is set to begin in the first half of this year, followed by small-scale mass production in the second half. The plant will primarily focus on high-end server, automotive, and optical communication applications to meet the growing demand for these products. The addition will further fuel the Company's growth momentum and enhance the completeness of our global production layout. We anticipate that operational performance will reach new highs next year.

In addition, the Company has acquired land in Qingpu, Taoyuan, for the establishment of our Taiwan operations headquarters. The site is planned to become the Zhen Ding Age Building, with Eslite establishing a presence as well. Construction began in February this year. The project aims to strengthen inter-plant collaboration, bring together supply chain partners, and generate the benefits of an industrial cluster. The headquarters will also serve as a hub for talent recruitment and development, as well as a platform for enhancing value through industry chain collaboration. It will offer a convenient space for customers, partners, and employees to work, while also helping to attract more talent to the Company, driving both industry growth and the local economy.

III. Shoulder Social Responsibility and Achieve Sustainable Development

As a company committed to social responsibility and sustainable development, Zhen Ding continues to travel down the Environmental, Social, and Governance (ESG) path, receiving numerous international recognitions along the way. Last year, the Company was awarded the highest "A" rating in the area of water security and was selected for the S&P Global Sustainability Yearbook for the third consecutive year. Our performance ranks above 98% of our peers in the global electronic equipment and components industry, and makes us first in the PCB industry.

The Company is committed to promoting corporate governance and sustainable development across all aspects of our operations. In terms of climate action, we are actively implementing carbon reduction and greenhouse gas mitigation measures through process improvements, in-house solar power generation, and the purchase of green electricity. At the same time, the Company is actively implementing our sustainable water resource strategy by enhancing water conservation management and adopting innovative technologies to steadily increase our water reuse rate year by year. The newly established Yaoding Huanneng Technology (Shenzhen) Co., Ltd. is dedicated to ecological protection and environmental management. It provides energy-saving management services and explores innovations and applications in green energy technologies. Yaoding supports the Company in completing our green transformation. In addition, in the areas of supply chain management and product responsibility, the Company continues to promote green manufacturing and the development of a green supply chain. We have implemented systematic management of chemical safety and responsible mineral sourcing. In the MSCI ESG rating for conflict minerals management, the Company continues to rank in the top 25% among our global peers. In terms of social inclusion, the Company regularly conducts human rights risk identification and performs related due diligence. We have established mitigation and remediation plans for potential risks, using both internal assessments and external audits to comprehensively protect and uphold employee rights. The Company places strong emphasis on gender equality, human rights protection, and talent development. We strive to create a diverse and inclusive workplace. With our commitment to sustainable operations, the Company integrates social resources to realize our long-term sustainability vision.

IV. Continue to Promote the One ZDT Core Strategy

Over the years, Zhen Ding has defined "One ZDT" as our core strategy, leveraging a one-stop service model to enhance operational efficiency. In response to globalization and market competition, innovation and transformation remain key focuses. By the end of 2024, the Company had accumulated 1,868 effective global patents. To ensure steady development, Zhen Ding continues to expand our diverse product portfolio and strengthen our presence across the PCB industry chain. The Company has seen significant growth in the substrate field, entering a phase of rapid growth with annual revenue up 75.6%. ABF substrate capacity utilization continues to rise, with successful certification by key customers on the 2nm platform. This shows that our capabilities align with cutting-edge semiconductor processes. Future capacity utilization rates are expected to grow further, with the strategic focus of development on mid-to-high-end products. BT substrates have also maintained over 80% utilization, with ongoing growth driven by new customers and orders for new products.

In addition, enhancing production efficiency is a key part of the Company's innovation and transformation strategy. Zhen Ding is actively advancing toward smart manufacturing and digital transformation by introducing advanced manufacturing technologies and processes. Through data analysis, the Company is refining our existing production flows to achieve automation and intelligence, thereby improving quality control and consistency. Aligned with customer strategies and in close collaboration with suppliers, Zhen Ding remains committed to excellence in a rapidly evolving market. With a spirit of perseverance, agility, and vigilance, the Company continues to identify new growth opportunities across various fields, driving the Group toward higher goals.

V. Future Prospects

In 2025, the world will face an increasingly complex and unpredictable political and economic landscape, bringing greater challenges to market stability and certainty. However, the rapid advancement and maturation of emerging technologies, such as AI and robotics, are creating unprecedented opportunities and growth potential in the industry. Despite the mix of opportunities and challenges, we remain confident in our ability to adapt with agility, break through conventional thinking, and identify opportunities among the risks. By exploring new growth drivers in emerging technological fields, and with the united efforts of our employees, shareholders, suppliers, and partners, we are committed to achieving steady growth and mutual success. Together, we will create a bright future for the Company's long-term development.

Chairman:

Chang-Fang Shen

General Manager:

Chang-Fang Shen

Accounting Executive:

Shih-Te Chou

Zhen Ding Technology Holding Limited

Audit and Risk Committee's Review Report

The Board of Directors has prepared and submitted the 2024 business report, consolidated financial statements, and earnings distribution proposal, of which the consolidated financial statements have been audited by the CPAs Sheng-Chung Hsu and Chieh-Ju Hsu of PricewaterhouseCoopers, Taiwan and an Audit Report is submitted. The Audit and Risk Committee has reviewed the business report, consolidated financial statements, and the earnings distribution proposal and did not find any incompliance. According to the regulations in the Articles of Association, it is hereby submitted for your examination.

To:

2025 Shareholders' Annual General Meeting

Zhen Ding Technology Holding Limited
Audit and Risk Committee convener: Shin-Cheng Yeh

March 11, 2025

Zhen Ding Technology Holding Limited

Comparison Table of the Amended "Rules and Procedure for Board of Directors Meetings"

After Amendment	Before Amendment	Explanation
<p>Article 8 Board of Directors reference materials, attendees, and convening of Board of Directors meetings</p> <p>I. When the Company's Board of Directors convenes, the Corporate Governance and Investor Relations Division shall prepare relevant materials for the attending directors to reference at any time.</p> <p>II. When the Board of Directors convenes, personnel from relevant departments or subsidiaries may be notified to attend, depending on the content of the proposals to be discussed. When necessary, CPAs, lawyers, or other professionals may be invited to attend the meeting and provide information. However, they should be recused during discussions and voting.</p> <p>III. The Chairman of the Board should announce the commencement of the meeting once the scheduled meeting time has arrived and more than half of the directors are in attendance. At the meeting time, if half of all directors are not in attendance, the Chairman may announce a postponement <u>on the day</u>, with a limit of up to two postponements. If the quorum is still not met after the second postponement, the Chairman may reconvene the meeting according to the procedures specified in Paragraph 2, Article 3.</p> <p>IV. The total number of directors referred to in the preceding paragraph and Item 2,</p>	<p>Article 8 Board of Directors reference materials, attendees, and convening of Board of Directors meetings</p> <p>I. When the Company's Board of Directors convenes, the Corporate Governance and Investor Relations Division shall prepare relevant materials for the attending directors to reference at any time.</p> <p>II. When the Board of Directors convenes, personnel from relevant departments or subsidiaries may be notified to attend, depending on the content of the proposals to be discussed. When necessary, CPAs, lawyers, or other professionals may be invited to attend the meeting and provide information. However, they should be recused during discussions and voting.</p> <p>III. The Chairman of the Board should announce the commencement of the meeting once the scheduled meeting time has arrived and more than half of the directors are in attendance. At the meeting time, if half of all directors are not in attendance, the Chairman may announce a postponement, with a limit of up to two postponements. If the quorum is still not met after the second postponement, the Chairman may reconvene the meeting according to the procedures specified in Paragraph 2, Article 3.</p> <p>IV. The total number of directors referred to in the preceding paragraph and Item 2,</p>	<p>Amended in accordance with the letter Jin-Guan-Zheng-Fa-Zi No. 1120383996 from the FSC dated January 11, 2024.</p>

After Amendment	Before Amendment	Explanation
Paragraph 2, Article 16 shall be calculated based on the actual number of persons currently holding those positions.	Paragraph 2, Article 16 shall be calculated based on the actual number of persons currently holding those positions.	
<p>Article 11 Discussion of Agenda Items</p> <p>I. The Board of Directors of the Company shall proceed in accordance with the agenda and procedures set out in the meeting notice. However, it may be changed if a majority of attending directors agree to the change.</p> <p>II. The Chairman is not permitted to adjourn the meeting without the consent of the majority of attending directors.</p> <p>III. During the proceedings of the Board meeting, if the number of present directors does exceed half of all directors, a proposal from the attending directors may be made to the Chairman to announce a temporary adjournment of the meeting. In such cases, the provisions specified in Paragraph 3, Article 8 shall apply.</p> <p>IV. <u>During the board meeting, if the Chairman is unable to preside over the meeting due to unforeseen circumstances or fails to announce adjournment according to Paragraph 2, the appointment of their proxy shall follow the provisions of Paragraph 2, Article 7.</u></p>	<p>Article 11 Discussion of Agenda Items</p> <p>I. The Board of Directors of the Company shall proceed in accordance with the agenda and procedures set out in the meeting notice. However, it may be changed if a majority of attending directors agree to the change.</p> <p>II. The Chairman is not permitted to adjourn the meeting without the consent of the majority of attending directors.</p> <p>III. During the proceedings of the Board meeting, if the number of present directors does exceed half of all directors, a proposal from the attending directors may be made to the Chairman to announce a temporary adjournment of the meeting. In such cases, the provisions specified in Paragraph 3, Article 8 shall apply.</p>	Amended in accordance with the letter Jin-Guan-Zheng-Fa-Zi No. 1120383996 from the FSC dated January 11, 2024.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Zhen Ding Technology Holding Limited

Opinion

We have audited the accompanying consolidated balance sheets of Zhen Ding Technology Holding Limited and subsidiaries (the “Group”) as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of 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 judgement, were of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

Cut-off of hub warehouse sales revenue

Description

Refer to Note 4(29) for accounting policies on revenue recognition.

The Group recognises revenue when the goods are directly shipped from factories and when customers accept the goods (the transfer of control) if picked up from hub warehouses. For pick-ups from hub warehouses, the Group recognises sales revenue based on movements of inventory records contained in the statements or other information provided by the warehouse custodians. The hub warehouses are located around the world with numerous warehouse custodians, the frequency and contents of statements provided by custodians are different, and the process of revenue recognition may involve manual procedures. These factors may potentially result in inaccurate timing of sales revenue recognition.

As there are numerous daily sales transactions from hub warehouses and the transaction amounts prior to and after the balance sheet date are significant to the financial statements, we considered the cut-off of hub warehouse sales revenue a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Assessed and tested internal controls over regular record verification between the Group and customers.
- B. Assessed and checked the appropriateness of cut-off of sales revenue prior to or after the balance sheet date, and verified the statements provided by the hub warehouse custodians.
- C. Performed confirmation of the storage quantities or observed physical counts in warehouse, compared against inventory records, and determined whether differences, if any, are properly adjusted.

Estimation of allowance for inventory valuation losses

Description

Refer to Note 4(14) for accounting policies on inventory valuation, Note 5 for the uncertainty of accounting estimates and assumptions applied on inventory valuation, and Note 6(6) for details of inventory. As of December 31, 2024, the Group's inventory cost and allowance for valuation losses were NT\$18,974,828 thousand and NT\$985,243 thousand, respectively.

The Group is primarily engaged in the manufacture and sales of printed circuit board. Due to rapid technological innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses due to market value decline or obsolescence. The Group measures inventories at the lower of cost and net realisable value and recognises the allowance for inventory valuation losses based on the inventories over normal age and those individually identified as obsolete or damaged.

As the amounts of inventories are material, the types of inventories are numerous, and the estimation of net realisable value for individually obsolete or damaged inventories is subject to significant judgement, we considered the estimation of allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in relation to the estimation of allowance for inventory valuation losses:

- A. Assessed the reasonableness of accounting policy on allowance for inventory valuation losses and checked whether it has been consistently applied.
- B. Checked whether the logic in calculating inventory aging report was appropriate and confirmed whether the inventory over normal age has been included in the aging report.
- C. Assessed the reasonableness of individually obsolete or damaged inventory identified by the Group against related supporting documents, reviewed scrap inventory before and after the balance sheet date, and verified the information obtained from physical count.
- D. For the net realisable value of inventories over normal age and those individually identified as obsolete and damaged inventory, discussed with the Group, obtained supporting documents and reviewed calculation of inventory loss.

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 International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, 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 Standards on Auditing of 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 Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

- A. 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.
- B. 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.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of

accounting estimates and related disclosures made by management.

- D. 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.
- E. 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.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the 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 of the current period 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.

Hsu, Sheng-Chung Hsu, Chieh-Ju

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 11, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2024		December 31, 2023			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	79,502,013	30	\$	61,420,770	25
1136	Current financial assets at amortised cost	6(3)		327,850	-		4,549,269	2
1170	Accounts receivable, net	6(4)		26,920,233	10		25,803,347	11
1180	Accounts receivable due from related parties, net	6(4) and 7		3,262,888	1		3,425,531	2
1200	Other receivables	6(5)		775,487	-		274,414	-
130X	Inventories	6(6)		17,989,585	7		15,507,549	6
1410	Prepayments	6(5)		3,725,689	2		3,048,205	1
1470	Other current assets	8		4,879	-		16,588	-
11XX	Total current assets			132,508,624	50		114,045,673	47
Non-current assets								
1510	Non-current financial assets at fair value through profit or loss	6(2)		1,753,687	1		1,752,487	1
1517	Non-current financial assets at fair value through other comprehensive income	6(7)		1,768,742	1		1,714,386	1
1550	Investments accounted for using equity method			22,444	-		20,767	-
1600	Property, plant and equipment	6(8)		110,172,595	41		105,713,497	43
1755	Right-of-use assets	6(9)		9,229,121	3		9,061,140	4
1760	Investment property, net	6(10)		3,289,200	1		4,251,347	2
1780	Intangible assets	6(11)		2,096,679	1		2,313,206	1
1840	Deferred income tax assets	6(30)		3,105,262	1		2,827,971	1
1990	Other non-current assets	6(12) and 8		2,046,938	1		1,075,191	-
15XX	Total non-current assets			133,484,668	50		128,729,992	53
1XXX	Total assets		\$	265,993,292	100	\$	242,775,665	100

(Continued)

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(13)	\$ 21,706,441	8	\$ 33,853,082	14
2170	Accounts payable		20,654,870	8	18,504,901	8
2180	Accounts payable to related parties	7	1,061,617	-	1,062,035	-
2200	Other payables	6(14)	19,141,301	7	18,286,472	8
2230	Current income tax liabilities		1,193,279	1	986,692	-
2280	Current lease liabilities		246,902	-	221,325	-
2320	Long-term liabilities, current portion	6(16)	1,333,125	1	1,250,317	1
2399	Other current liabilities		3,866,715	1	4,774,518	2
21XX	Total current liabilities		69,204,250	26	78,939,342	33
Non-current liabilities						
2530	Bonds payable	6(15)	11,601,604	4	-	-
2540	Long-term borrowings	6(16)	22,410,057	9	18,026,287	8
2570	Deferred income tax liabilities	6(30)	2,896,003	1	3,030,821	1
2580	Non-current lease liabilities		872,602	-	992,331	-
2600	Other non-current liabilities		6,985,166	3	7,461,036	3
25XX	Total non-current liabilities		44,765,432	17	29,510,475	12
2XXX	Total liabilities		113,969,682	43	108,449,817	45
Equity						
Equity attributable to owners of parent						
	Share capital	6(19)				
3110	Ordinary share		9,566,525	4	9,470,492	4
	Capital surplus	6(20)				
3200	Capital surplus		40,540,212	15	38,555,914	16
	Retained earnings	6(21)				
3310	Legal reserve		9,036,250	3	8,417,315	3
3320	Special reserve		5,120,220	2	2,882,437	1
3350	Unappropriated retained earnings		45,001,928	17	41,749,184	17
	Other equity interest	6(22)				
3400	Other equity interest		(189,408)	-	(5,120,220)	(2)
3500	Treasury shares	6(19)	(257,489)	-	(257,489)	-
31XX	Equity attributable to owners of parent		108,818,238	41	95,697,633	39
36XX	Non-controlling interest	6(32)	43,205,372	16	38,628,215	16
3XXX	Total equity		152,023,610	57	134,325,848	55
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant disaster loss	10				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 265,993,292	100	\$ 242,775,665	100

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

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Year ended December 31			
Items	Notes		2024		2023	
			AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(23), 7 and 14		\$ 171,663,845	100	\$ 151,398,038	100
5000 Operating costs	6(6) and 7		(139,203,083)	(81)	(123,938,549)	(82)
5950 Gross profit from operations			<u>32,460,762</u>	<u>19</u>	<u>27,459,489</u>	<u>18</u>
Operating expenses	6(24)					
6100 Selling expenses		(	2,154,908)	(1)	(1,899,653)	(1)
6200 Administrative expenses		(	7,025,113)	(4)	(6,724,668)	(5)
6300 Research and development expenses		(	11,715,283)	(7)	(9,665,484)	(6)
6450 Impairment gain (expected credit loss) in accordance with IFRS 9	12		<u>20,178</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>
6000 Total operating expenses		(	<u>20,875,126</u>	<u>(12)</u>	<u>(18,299,805)</u>	<u>(12)</u>
6900 Net operating income			<u>11,585,636</u>	<u>7</u>	<u>9,159,684</u>	<u>6</u>
Non-operating income and expenses						
7100 Interest income	6(26)		2,897,955	2	2,500,594	2
7010 Other income	6(27)		1,109,460	1	759,948	-
7020 Other gains and losses	6(28)		1,781,935	1	(403,710)	-
7050 Finance costs	6(29)	(	2,333,091)	(2)	(1,952,504)	(1)
7060 Share of profit (loss) of associates and joint ventures accounted for using equity method			<u>3,080</u>	<u>-</u>	<u>(16,094)</u>	<u>-</u>
7000 Total non-operating income and expenses			<u>3,459,339</u>	<u>2</u>	<u>888,234</u>	<u>1</u>
7900 Profit before income tax			15,044,975	9	10,047,918	7
7950 Income tax expense	6(30)	(	1,948,497)	(1)	(616,065)	(1)
8200 Profit			<u>\$ 13,096,478</u>	<u>8</u>	<u>\$ 9,431,853</u>	<u>6</u>
Other comprehensive income						
Components of other comprehensive income that will not be reclassified to profit or loss						
8311 Actuarial gains on defined benefit plans	6(17)	\$	18,380	-	\$ 771	-
8316 Unrealised (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	6(7)(22)		(174,000)	-	787,894	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(30)		<u>34,818</u>	<u>-</u>	<u>(139,739)</u>	<u>-</u>
8310 Other comprehensive income that will not be reclassified to profit or loss		(	<u>120,802</u>	<u>-</u>	<u>648,926</u>	<u>-</u>
Components of other comprehensive income that will be reclassified to profit or loss						
8361 Exchange differences on translation of foreign financial statements	6(22)		<u>7,108,329</u>	<u>4</u>	<u>(1,901,942)</u>	<u>(1)</u>
8300 Other comprehensive income (loss)		\$	<u>6,987,527</u>	<u>4</u>	<u>(\$ 1,253,016)</u>	<u>(1)</u>
8500 Total comprehensive income		\$	<u>20,084,005</u>	<u>12</u>	<u>\$ 8,178,837</u>	<u>5</u>
Profit attributable to:						
8610 Owners of the parent		\$	9,179,689	6	\$ 6,188,729	4
8620 Non-controlling interests			<u>3,916,789</u>	<u>2</u>	<u>3,243,124</u>	<u>2</u>
		\$	<u>13,096,478</u>	<u>8</u>	<u>\$ 9,431,853</u>	<u>6</u>
Comprehensive income attributable to:						
8710 Owners of the parent		\$	14,141,861	9	\$ 3,951,563	2
8720 Non-controlling interests			<u>5,942,144</u>	<u>3</u>	<u>4,227,274</u>	<u>3</u>
		\$	<u>20,084,005</u>	<u>12</u>	<u>\$ 8,178,837</u>	<u>5</u>
Earnings per share (in dollars)						
9750 Basic earnings per share	6(31)	\$	<u>9.67</u>		<u>\$ 6.55</u>	
9850 Diluted earnings per share	6(31)	\$	<u>9.24</u>		<u>\$ 6.34</u>	

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

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent												
		Retained Earnings				Other Equity Interest						
			Capital surplus- additional paid-in capital			Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares	Total	Non-controlling interest	Total equity
	Notes	Ordinary shares		Legal reserve	Special reserve							
Year ended December 31, 2023												
Balance at January 1, 2023		\$ 9,470,492	\$ 38,021,187	\$ 6,995,473	\$ 4,848,301	\$ 40,698,111	(\$ 2,899,992)	\$ 17,555	(\$ 257,489)	\$ 96,893,638	\$ 35,972,053	\$ 132,865,691
Profit for the year		-	-	-	-	6,188,729	-	-	-	6,188,729	3,243,124	9,431,853
Other comprehensive income (loss) for the year	6(22)	-	-	-	-	617	(2,709,461)	471,678	-	(2,237,166)	984,150	(1,253,016)
Total comprehensive income (loss)		-	-	-	-	6,189,346	(2,709,461)	471,678	-	3,951,563	4,227,274	8,178,837
Appropriations of 2022 earnings:	6(21)											
Legal reserve		-	-	1,421,842	-	(1,421,842)	-	-	-	-	-	-
Special reserve		-	-	-	(1,965,864)	1,965,864	-	-	-	-	-	-
Cash dividends		-	-	-	-	(5,682,295)	-	-	-	(5,682,295)	-	(5,682,295)
Compensation cost of employee restricted stock	6(20)	-	(6,652)	-	-	-	-	-	-	(6,652)	(4,807)	(11,459)
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	6(20)	-	12,560	-	-	-	-	-	-	12,560	-	12,560
Difference between consideration and carrying amount of subsidiaries disposed	6(32)	-	5,913	-	-	-	-	-	-	5,913	(3,357)	2,556
Recognition of changes in ownership interests in subsidiaries	6(32)	-	(226,987)	-	-	-	-	-	-	(226,987)	(642,113)	(869,100)
Changes in non-controlling interests - acquisition of shares of the subsidiary	6(32)	-	749,893	-	-	-	-	-	-	749,893	1,031,776	1,781,669
Changes in non-controlling interests - distribution of retained earnings by subsidiaries		-	-	-	-	-	-	-	-	-	(1,952,611)	(1,952,611)
Balance at December 31, 2023		\$ 9,470,492	\$ 38,555,914	\$ 8,417,315	\$ 2,882,437	\$ 41,749,184	(\$ 5,609,453)	\$ 489,233	(\$ 257,489)	\$ 95,697,633	\$ 38,628,215	\$ 134,325,848
Year ended December 31, 2024												
Balance at January 1, 2024		\$ 9,470,492	\$ 38,555,914	\$ 8,417,315	\$ 2,882,437	\$ 41,749,184	(\$ 5,609,453)	\$ 489,233	(\$ 257,489)	\$ 95,697,633	\$ 38,628,215	\$ 134,325,848
Profit for the year		-	-	-	-	9,179,689	-	-	-	9,179,689	3,916,789	13,096,478
Other comprehensive income (loss) for the year	6(22)	-	-	-	-	14,704	5,024,679	(77,211)	-	4,962,172	2,025,355	6,987,527
Total comprehensive income (loss)		-	-	-	-	9,194,393	5,024,679	(77,211)	-	14,141,861	5,942,144	20,084,005
Appropriations of 2023 earnings:	6(21)											
Legal reserve		-	-	618,935	-	(618,935)	-	-	-	-	-	-
Special reserve		-	-	-	2,237,783	(2,237,783)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(3,101,587)	-	-	-	(3,101,587)	-	(3,101,587)
Issuance of overseas convertible bonds recognised as warrants	6(15)	-	1,015,416	-	-	-	-	-	-	1,015,416	-	1,015,416
Conversion of convertible bonds	6(15)	96,033	866,806	-	-	-	-	-	-	962,839	-	962,839
Compensation cost of employee restricted stock	6(20)	-	95,220	-	-	-	-	-	-	95,220	36,868	132,088
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	6(20)	-	6,856	-	-	-	-	-	-	6,856	-	6,856
Changes in non-controlling interests - acquisition of shares of the subsidiary	6(32)	-	-	-	-	-	-	-	-	-	91,885	91,885
Changes in non-controlling interests - distribution of retained earnings by subsidiaries		-	-	-	-	-	-	-	-	-	(1,493,740)	(1,493,740)
Disposal of equity instruments at fair value through other comprehensive income	6(7)	-	-	-	-	16,656	-	(16,656)	-	-	-	-
Balance at December 31, 2024		\$ 9,566,525	\$ 40,540,212	\$ 9,036,250	\$ 5,120,220	\$ 45,001,928	(\$ 584,774)	\$ 395,366	(\$ 257,489)	\$ 108,818,238	\$ 43,205,372	\$ 152,023,610

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

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 15,044,975	\$ 10,047,918
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(24)	17,195,439	15,829,181
Amortisation	6(24)	553,183	494,145
Loss (gain) on financial assets or liabilities at fair value through profit or loss, net	6(2)	170,275 (	30,261)
Impairment losses	6(8)	1,213	142,303
(Impairment gain) expected credit loss	12	(20,178)	10,000
Gain on disposal of property, plant and equipment	6(28)	(35,760 ) (	44,823)
Loss on disposal of right-of-use assets	6(9)	-	320
Interest income	6(26)	(2,897,955 ) (	2,500,594)
Dividend income		(52,524 ) (	9,524)
Interest expense	6(29)	2,333,091	1,952,504
Share of (profit) loss of associates and joint ventures accounted for using equity method		(3,080)	16,094
Loss on redemption of convertible bonds	6(28)	-	438,175
Share-based payment (reversal)	6(18)	132,088 (	11,459)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(240,851 ) (	44,432)
Accounts receivable		525,021	1,164,163
Accounts receivable due from related parties		331,136 (	378,349)
Other receivables		(460,418)	198,835
Inventories		(1,370,587)	3,144,906
Prepayments		(520,016)	1,799,229
Changes in operating liabilities			
Accounts payable		1,196,758	2,856,608
Accounts payable to related parties		(55,067)	144,582
Other payables		541,255	620,562
Other current liabilities		229,385 (	15,564)
Cash inflow generated from operations		32,597,383	35,824,519
Income tax paid		(2,212,561 ) (	2,225,878)
Net cash flows from operating activities		30,384,822	33,598,641

(Continued)

ZHEN DING TECHNOLOGY HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 187,069)	(\$ 111,339)
Decrease (increase) in current financial assets at amortised cost		4,434,550	(2,232,802)
Acquisition of financial assets at fair value through other comprehensive income		(135,500)	(195,427)
Proceeds from disposal of financial assets at fair value through other comprehensive income		39,066	-
Acquisition of property, plant and equipment	6(33)	(16,256,978)	(25,718,517)
Proceeds from disposal of property, plant and equipment		247,963	265,332
Acquisition of intangible assets		(753)	(41,019)
Acquisition of right-of-use assets	6(9)	(448)	(347,600)
(Increase) decrease in other non-current assets		(25,667)	3,616
Increase in other non-current liabilities		788,165	81,546
Collected income distribution	6(2)	26,027	7,923
Interest received		2,871,224	2,548,418
Dividend received		52,524	9,524
Net cash flows used in investing activities		(8,146,896)	(25,730,345)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(33)	10,901,488	20,644,189
Decrease in short-term borrowings	6(33)	(24,058,846)	(3,284,436)
Proceeds from long-term borrowings	6(33)	4,599,959	10,498,454
Repayments of long-term borrowings	6(33)	(1,421,941)	(7,871,479)
(Decrease) increase in guarantee deposits received	6(33)	(3,099,257)	709,379
Proceeds from issuance of convertible bonds	6(33)	12,468,383	-
Redemption of convertible bonds	6(33)	-	(12,465,792)
Payments of lease liabilities	6(33)	(268,175)	(99,820)
Cash dividends paid	6(21)	(3,101,587)	(5,682,295)
Interest paid		(1,768,779)	(1,905,817)
Changes in non-controlling interests - disposal of the subsidiary	6(32)	-	2,556
Changes in non-controlling interests - the subsidiary buys back treasury shares	6(32)	-	(869,100)
Changes in non-controlling interests - acquisition of shares of the subsidiary	6(32)	91,885	1,781,669
Changes in non-controlling interests - distribution of retained earnings by subsidiaries		(1,493,740)	(1,952,611)
Net cash flows used in financing activities		(7,150,610)	(495,103)
Effect of exchange rate changes on cash and cash equivalents		2,993,927	(1,195,985)
Net increase in cash and cash equivalents		18,081,243	6,177,208
Cash and cash equivalents at beginning of year		61,420,770	55,243,562
Cash and cash equivalents at end of year		\$ 79,502,013	\$ 61,420,770

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

Zhen Ding Technology Holding Limited
Earning Distribution for 2024

Unit: NT\$

Item	Amount
Net income after tax	\$ 9,179,689,658
Add: Unappropriated earnings adjustments for the current year (Note 2)	31,359,704
Adjusted net profit after tax (Note 3)	\$ 9,211,049,362
Less: 10% legal reserve (Note 3)	921,104,936
Add: Reversal of special reserve (Note 4)	(4,930,812,827)
Distributable earnings for the current year	\$ 13,220,757,253
Add: Undistributed earnings in previous years	35,790,875,622
Accumulated distributable earnings	\$ 49,011,632,875
Distribution items: Cash Dividend (NT\$4.8 per share)	4,591,932,043
Accumulated undistributed earnings at the end of the period	\$ 44,419,700,832

Note:

1. As of December 31, 2024, the Company's outstanding shares were 956,652,509 shares.
2. The actuarial gains and losses of defined benefit plans are recognized in other comprehensive income (net), and is an adjustment for distributable earnings for the current year.
3. Using the "total amount of after-tax net income for the period and other profit items adjusted to the current year's undistributed earnings other than after-tax net income for the period" as the basis for allocating statutory surplus reserve, and the statutory surplus reserve in previous years does not need to be adjusted retrospectively. (Reference to Letter No. 10802432410 issued by the Ministry of Economic Affairs in January 9, 2020)
4. Pursuant to the Order No. Jin-Guan-Zheng-Fa-Zi No. 1090150022 of the Financial Supervisory Commission's Securities and Futures Commission, a special surplus reserve of the same amount should be included for the net amount of other shareholders' equity deducted for the current year. Later when the other shareholders' equity deductions have been reversed, the reversal in surplus will be distributed.
5. The amount of NT\$ is converted according to the balance of US\$, the functional currency.
6. The cash dividends shall be calculated in NT\$ (allocated to NT\$1) in accordance with distribution ratio, and below NT\$1 will be rounded down.

Chairman:
Chang-Fang Shen

General Manager:
Chang-Fang Shen

Accounting Executive:
Shih-Te Chou

Zhen Ding Technology Holding Limited
Comparison Table of Amended "Articles of Association"

After Amendment	Before Amendment	Explanation
<p>1.1 In these Amended and Restated Articles, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:</p> <p>(Omitted)</p> <p>Audit and Risk Committee the audit <u>and risk</u> committee of the Board, which shall comprise solely of Independent Directors of the Company;</p> <p>(Omitted)</p>	<p>1.1 In these Amended and Restated Articles, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:</p> <p>(Omitted)</p> <p>Audit Committee the audit committee of the Board, which shall comprise solely of Independent Directors of the Company;</p> <p>(Omitted)</p>	<p>In response to the Company's internal organizational adjustment of incorporating the Risk Management Committee into the Audit Committee, renamed as the "Audit and Risk Committee," all references to "Audit Committee" in the Articles of Association are amended to "Audit and Risk Committee."</p>
<p>5.3 Share may not be issued in bearer form. <u>The Company may not convert its shares into no-par value shares.</u></p>	<p>5.3 Share may not be issued in bearer form.</p>	<p>This Article was amended pursuant to the revised "Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation" published by the Taiwan Stock Exchange on May 2, 2024.</p>
<p>19.5 For so long as the shares are listed on the TWSE, the Company shall announce to the public the notice of a general meeting, the proxy instrument, agendas and materials relating to the matters to be reported and discussed in the general meetings, including but not limited to, election or discharge of Directors, in accordance with Articles 19.1 and 19.2 hereof, and shall</p>	<p>19.5 For so long as the shares are listed on the TWSE, the Company shall announce to the public the notice of a general meeting, the proxy instrument, agendas and materials relating to the matters to be reported and discussed in the general meetings, including but not limited to, election or discharge of Directors, in accordance with Articles 19.1 and Article 19.2 hereof, and</p>	<p>This Article was amended pursuant to the revised "Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation" published by the Taiwan Stock Exchange on May 2, 2024.</p>

After Amendment	Before Amendment	Explanation
<p>transmit the same via the Market Observation Post System in accordance with Applicable Public Company Rules. If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document for the Member to exercise his voting power together with the above mentioned materials in accordance with Articles 19.1 and 19.2. The Directors shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be sent to or made available to all Members and shall be transmitted to the Market Observation Post System in a manner consistent with the Applicable Public Company Rules twenty-one (21) days prior to the general meetings or, in the case of extraordinary general meetings, fifteen (15) days prior to such meeting. If the Company's total paid-in capital exceeds NT\$2 billion at the most recent financial year end date, or if the shareholding of foreign and PRC investors reaches more than 30% of the total number of issued shares as recorded in the Register of Members as of the date of the general meeting held in the most recent financial year, the foregoing transmission of information and materials via or to the Market Observation Post System shall be completed at least thirty (30) days for an annual general meeting.</p>	<p>shall transmit the same via the Market Observation Post System in accordance with Applicable Public Company Rules. If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document for the Member to exercise his voting power together with the above mentioned materials in accordance with Articles 19.1 and 19.2. The Directors shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be sent to or made available to all Members and shall be transmitted to the Market Observation Post System in a manner consistent with the Applicable Public Company Rules twenty-one (21) days prior to the general meetings or, in the case of extraordinary general meetings, fifteen (15) days prior to such meeting. If the Company's total paid-in capital exceeds NT\$10 billion at the most recent financial year end date, or if the shareholding of foreign and PRC investors reaches more than 30% of the total number of issued shares as recorded in the Register of Members as of the date of the general meeting held in the most recent financial year, the foregoing transmission of information and materials via or to the Market Observation Post System shall be completed at least thirty (30) days for an annual general meeting.</p>	

After Amendment	Before Amendment	Explanation
<p>19.8 The Company shall make available all the statements and records prepared by the Board and the report prepared by the Audit <u>and Risk</u> Committee which will be submitted to the Members at the annual general meeting at the Registered Office (if applicable) and its stock affairs agent located in the ROC ten (10) days prior to such annual general meeting in accordance with Applicable Public Company Rules. Members may inspect and review the foregoing documents from time to time and may be accompanied by their lawyers or certified public accountants for the purpose of such inspection and review.</p>	<p>19.8 The Company shall make available all the statements and records prepared by the Board and the report prepared by the Audit Committee which will be submitted to the Members at the annual general meeting at the Registered Office (if applicable) and its stock affairs agent located in the ROC ten (10) days prior to such annual general meeting in accordance with Applicable Public Company Rules. Members may inspect and review the foregoing documents from time to time and may be accompanied by their lawyers or certified public accountants for the purpose of such inspection and review.</p>	<p>In response to the Company's internal organizational adjustment of incorporating the Risk Management Committee into the Audit Committee, renamed as the "Audit and Risk Committee," all references to "Audit Committee" in the Articles of Association are amended to "Audit and Risk Committee."</p>
<p>33.7 Unless provided otherwise in these Articles, the qualifications, composition, appointment, removal, exercise of power in performing duties and other matters with respect to the Directors, Independent Directors, Remuneration Committee and Audit <u>and Risk</u> Committee, shall comply with the provisions under ROC Securities and Exchange Act and the regulations issued pursuant to the ROC Securities and Exchange Act applicable to the Company.</p>	<p>33.7 Unless provided otherwise in these Articles, the qualifications, composition, appointment, removal, exercise of power in performing duties and other matters with respect to the Directors, Independent Directors, Compensation Committee and Audit Committee, shall comply with the provisions under ROC Securities and Exchange Act and the regulations issued pursuant to the ROC Securities and Exchange Act applicable to the Company.</p>	<p>In response to the Company's internal organizational adjustment of incorporating the Risk Management Committee into the Audit Committee, renamed as the "Audit and Risk Committee," all references to "Audit Committee" in the Articles of Association are amended to "Audit and Risk Committee."</p>
<p>47.3 To the extent permitted under the laws of the Cayman Islands, Members continuously holding one per cent (1%) or more of the total issued shares of the Company for six (6) months or longer may <u>send a written request to the Audit and Risk Committee to pass a resolution to authorize any</u></p>	<p>47.3 To the extent permitted under the laws of the Cayman Islands, Members continuously holding one per cent (1%) or more of the total issued shares of the Company for six (6) months or longer may: <u>(a) request in writing the Board to authorize any</u></p>	<p>This Article is amended pursuant to the revised Shareholders' Rights Protection Checklist published by the Taiwan Stock Exchange on May 2, 2024.</p>

After Amendment	Before Amendment	Explanation
<p><u>Independent Director or Independent Directors, acting singly or collectively, to file a petition with the Taiwan Taipei District Court for and on behalf of the Company against any of the Directors. If within thirty (30) days after receiving the above written request by the Member(s), the Audit and Risk Committee fails to pass the aforementioned resolution, or after the relevant resolution was passed by the Audit and Risk Committee, the relevant Independent Director(s) fail(s) to file such petition, such Member(s) may, to the extent permitted under the laws of the Cayman Islands, file a petition with the Taiwan Taipei District Court for and on behalf of the Company against the relevant Directors.</u></p>	<p><u>Independent Director of the Audit Committee to file a petition with the Taiwan Taipei District Court, ROC for and on behalf of the Company against any of the Directors; or</u> <u>(b) request in writing any Independent Director of the Audit Committee to file a petition with the Taiwan Taipei District Court, ROC for and on behalf of the Company against any of the Directors;</u> <u>within thirty (30) days after the Member(s) having made the request under the preceding clause (a) or (b), if (i) in the case of clause (a), the Board fails to make such authorization or the Independent Director of the Audit Committee having been authorized by the Board fails to file such petition, or (ii) in the case of clause (b), the Independent Director of the Audit Committee fails to file such petition, to the extent permitted under the laws of the Cayman Islands, such Member(s) may file a petition with the Taiwan Taipei District Court, ROC for and on behalf of the Company against any of the Directors.</u></p>	
<p>Audit and Risk Committee 61 Number of Committee shareholders The Board shall set up an Audit and Risk Committee. The Audit and Risk Committee shall comprise solely of Independent Directors and the number of committee members shall not be less than three (3). One of the Audit and Risk Committee members shall be appointed as the convener to convene</p>	<p>Audit Committee 61 Number of Committee shareholders The Board shall set up an Audit Committee. The Audit Committee shall comprise solely of Independent Directors and the number of committee members shall not be less than three (3). One of the Audit Committee members shall be appointed as the convener to convene meetings of the Audit Committee</p>	<p>In response to the Company's internal organizational adjustment of incorporating the Risk Management Committee into the Audit Committee, renamed as the "Audit and Risk Committee," all references to "Audit Committee"</p>

After Amendment	Before Amendment	Explanation
meetings of the Audit and Risk Committee from time to time and at least one of the Audit and Risk Committee members shall have accounting or financial expertise. A valid resolution of the Audit and Risk Committee requires approval of one-half or more of all its members.	from time to time and at least one of the Audit Committee members shall have accounting or financial expertise. A valid resolution of the Audit Committee requires approval of one-half or more of all its members.	in the Articles of Association are amended to "Audit and Risk Committee."
<p>62 Powers of the Audit and Risk Committee</p> <p>62.1 The Audit and Risk Committee shall have the responsibilities and powers as specified under the Applicable Public Company Rules. Any of the following matters of the Company shall require the consent of one-half or more of all Audit and Risk Committee members and be submitted to the Board for resolution: (a)~(k): Omitted. With the exception of Subparagraph (j), any other matter that has not been approved with the consent of one-half or more of all Audit and Risk Committee members may be undertaken upon the consent of two-thirds or more of the shareholders of the Board, and the resolution of the Audit and Risk Committee shall be recorded in the minutes of the Directors meeting.</p>	<p>62 Powers of Audit Committee</p> <p>62.1 The Audit Committee shall have the responsibilities and powers as specified under the Applicable Public Company Rules. Any of the following matters of the Company shall require the consent of one-half or more of all Audit Committee members and be submitted to the Board for resolution: (a)~(k): Omitted. With the exception of item (j), any other matter that has not been approved with the consent of one-half or more of all Audit Committee members may be undertaken upon the consent of two-thirds or more of the shareholders of the Board, and the resolution of the Audit Committee shall be recorded in the minutes of the Directors meeting.</p>	In response to the Company's internal organizational adjustment of incorporating the Risk Management Committee into the Audit Committee, renamed as the "Audit and Risk Committee," all references to "Audit Committee" in the Articles of Association are amended to "Audit and Risk Committee."
62.2 Subject to compliance with the law, before the meeting of Directors resolves any matter specified in Article 27.1 or other mergers and acquisitions in accordance with the applicable law, the Audit and Risk Committee shall review the fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the meeting of Directors and the general meeting; provided, however,	62.2 Subject to compliance with the law, before the meeting of Directors resolves any matter specified in Article 27.1 or other mergers and acquisitions in accordance with the Applicable Law, the Audit Committee shall review the fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the meeting of Directors and the general meeting; provided, however,	In response to the Company's internal organizational adjustment of incorporating the Risk Management Committee into the Audit Committee, renamed as the "Audit and Risk Committee," all references to "Audit Committee" in the Articles of Association are

After Amendment	Before Amendment	Explanation
<p>that such review results need not be submitted to the general meeting if the approval from the Members is not required under the applicable law. When the <u>Audit and Risk</u> Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share exchange ratio, cash consideration or other assets to be offered to the Members. The review results of the <u>Audit and Risk</u> Committee and the fairness opinion issued by the independent expert shall be distributed to the Members, along with the notice of the general meeting; provided, however, that the Company can only report matters relating to such merger and acquisition at the next general meeting if approval from the Members is not required under the applicable law. Such review results and fairness opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the FSC and made available to the Members for their inspection and review at the venue of the general meeting.</p>	<p>that such review results need not be submitted to the general meeting if the approval from the Members is not required under the applicable law. When the Audit Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share exchange ratio, cash consideration or other assets to be offered to the Members. The review results of the Audit Committee and the fairness opinion issued by the independent expert shall be distributed to the Members, along with the notice of the general meeting; provided, however, that the Company can only report matters relating to such merger and acquisition at the next general meeting if approval from the Members is not required under the applicable law. Such review results and fairness opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the FSC and made available to the Members for their inspection and review at the venue of the general meeting.</p>	<p>amended to "Audit and Risk Committee."</p>

Zhen Ding Technology Holding Limited
Comparison Table of the Amended "Procedures for Lending Funds to Other Parties"

After Amendment	Before Amendment	Explanation
<p>Article 6: Loan period and calculation of interests:</p> <p>I. The term of each monetary loan is limited to one year from the date of lending.</p> <p>II. The interest rate for monetary loans shall be determined by referencing the interest rates of the Company's deposits in and loans from financial institutions. The monetary loans and their method of calculating interest between overseas subsidiaries in which the Company holds 100% of the voting shares directly or indirectly are subject to the provisions of local laws and regulations and shall not be subject to the above restrictions. The Company's loan interest is calculated on a monthly basis in principle.</p> <p>III. Where the Company directly or indirectly holds 100% of the voting shares of overseas subsidiaries located in the place of listing, any monetary loans between such subsidiaries, or from such subsidiaries to the Company, shall not be subject to the one-year limit set forth in Paragraph 1. However, the lending period shall not exceed three years, and the interest calculation method shall be in accordance with Paragraph 2 of this Article. <u>If the local laws of the overseas subsidiary have other provisions regarding the financing period, they shall prevail, but the period shall still be set according to the internal operating procedures as stated in the provisions of the Governing Regulations.</u></p>	<p>Article 6: Loan period and calculation of interests:</p> <p>I. The term of each monetary loan is limited to one year from the date of lending.</p> <p>II. The interest rate for monetary loans shall be determined by referencing the interest rates of the Company's deposits in and loans from financial institutions. The monetary loans and their method of calculating interest between overseas subsidiaries in which the Company holds 100% of the voting shares directly or indirectly are subject to the provisions of local laws and regulations and shall not be subject to the above restrictions. The Company's loan interest is calculated on a monthly basis in principle.</p> <p>III. Where the Company directly or indirectly holds 100% of the voting shares of overseas subsidiaries located in the place of listing, any monetary loans between such subsidiaries, or from such subsidiaries to the Company, shall not be subject to the one-year limit set forth in Paragraph 1. However, the lending period shall not exceed three years, and the interest calculation method shall be in accordance with Paragraph 2 of this Article.</p>	<p>In order to comply with local laws and regulations of overseas subsidiaries and enhance the flexibility of financial operations, the provisions related to the financing term of overseas subsidiaries are amended.</p>

After Amendment	Before Amendment	Explanation
<p>Article 8: Internal controls:</p> <p>I. When processing monetary loans and related matters, the Company shall establish a log book that records the borrower of loans, amount, date approved by the Board of Directors, date the loan is released, and details that should be carefully evaluated for reference.</p> <p>II. The internal audit personnel of the Company shall audit the Procedures for Lending to Others and its implementation at least once every quarter and keep written records. In case of major violations, they shall notify the <u>Audit and Risk</u> Committee in writing. If any major violation is found, the managers and case officers shall be punished according to the conditions of the violation.</p> <p>III. Where changes in the Company cause the borrowers to no longer meet the Regulations' requirements or result in the balance exceeding withdrawal limits, an improvement plan should be established. The plan shall be submitted to the Audit <u>and Risk</u> Committee, and the improvements shall be completed according to the schedule established in the plan.</p>	<p>Article 8: Internal controls:</p> <p>I. When processing monetary loans and related matters, the Company shall establish a log book that records the borrower of loans, amount, date approved by the Board of Directors, date the loan is released, and details that should be carefully evaluated for reference.</p> <p>II. The internal audit personnel of the Company shall audit the Procedures for Lending to Others and its implementation at least once every quarter and keep written records. In case of major violations, they shall notify the Audit Committee in writing. If any major violation is found, the managers and case officers shall be punished according to the conditions of the violation.</p> <p>III. Where changes in the Company cause the borrowers to no longer meet the Regulations' requirements or result in the balance exceeding withdrawal limits, an improvement plan should be established. The plan shall be submitted to the Audit Committee, and the improvements shall be completed according to the schedule established in the plan.</p>	<p>The Audit Committee of the Company was renamed as the Audit and Risk Committee.</p>
<p>Article 13: Implementation and revision</p> <p>I. The Operational Procedures shall be implemented upon approval by the Audit <u>and Risk</u> Committee and the Board of Directors, and upon ratification by the Shareholders' Meeting. If any director objects and such objection is recorded or submitted in writing, the Company shall submit the objection to the Audit <u>and Risk</u> Committee and submit it for discussion at the Shareholders' Meeting. The same process shall</p>	<p>Article 13: Implementation and revision</p> <p>I. The Operational Procedures shall be implemented upon approval by the Audit Committee and the Board of Directors, and upon ratification by the Shareholders' Meeting. If any director objects and such objection is recorded or submitted in writing, the Company shall submit the objection to the Audit Committee and submit it for discussion at the Shareholders' Meeting. The same process shall apply in the event of any amendments.</p>	<p>The Audit Committee of the Company was renamed as the Audit and Risk Committee.</p>

After Amendment	Before Amendment	Explanation
<p>apply in the event of any amendments.</p> <p>II. The stipulation or amendment of the Operational Procedures by the Audit <u>and Risk</u> Committee requires approval of one-half or more of all its members. If approval of more than half of all Audit <u>and Risk</u> Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit <u>and Risk</u> Committee shall be recorded in the minutes of the Board of Directors meeting.</p> <p>III. The total number of members of the Audit <u>and Risk</u> Committee and the total number of directors shall be calculated based on the actual number of persons currently holding those positions.</p>	<p>II. The stipulation or amendment of the Operational Procedures by the Audit Committee requires approval of one-half or more of all its members. If approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.</p> <p>III. The total number of members of the Audit Committee and the total number of directors shall be calculated based on the actual number of persons currently holding those positions.</p>	

Zhen Ding Technology Holding Limited
Comparison of the Amended "Procedures for Acquisition and Disposal of Assets"

After Amendment	Before Amendment	Explanation
<p>Article 11: Related Party Transactions</p> <p>I. When the Company intends to acquire assets from or dispose of assets to its related parties, the Company shall proceed with the relevant resolution procedures and assessment for the reasonableness of the transaction terms according to the regulations; and it shall also acquire professional appraiser's appraisal report or opinion of the CPA in accordance with the provisions of Articles 7 to 9 of these Procedures when the transaction amount reaches 10% or more of the Company's total assets; the calculation of the aforementioned transaction amount shall be calculated in accordance with the provisions of Article 9-1. When judging whether the counterparty of the transaction is a related person, in addition to paying attention to its legal form, the substantive relationship shall be considered.</p> <p>II. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds in the place of listing or bonds under repurchase and resale agreements, or subscription or</p>	<p>Article 11: Related Party Transactions</p> <p>I. When the Company intends to acquire assets from or dispose of assets to its related parties, the Company shall proceed with the relevant resolution procedures and assessment for the reasonableness of the transaction terms according to the regulations; and it shall also acquire professional appraiser's appraisal report or opinion of the CPA in accordance with the provisions of Articles 7 to 9 of these Procedures when the transaction amount reaches 10% or more of the Company's total assets; the calculation of the aforementioned transaction amount shall be calculated in accordance with the provisions of Article 9-1. When judging whether the counterparty of the transaction is a related person, in addition to paying attention to its legal form, the substantive relationship shall be considered.</p> <p>II. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds in the place of listing or bonds under repurchase and resale agreements, or subscription or</p>	<p>The Audit Committee of the Company was renamed as the Audit and Risk Committee.</p>

After Amendment	Before Amendment	Explanation
<p>redemption of money market funds issued by domestic securities investment trust enterprises in the place of listing, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit <u>and Risk</u> Committee and passed through resolution by the Board of Directors.</p> <p>(I) The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets.</p> <p>(II) The reason for choosing the specific related party as the transaction counterparty.</p> <p>(III) With respect to the acquisition or disposal of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms shall be conducted in accordance with Subparagraphs 1 to 5, Paragraph 3 of this Article.</p> <p>(IV) The original acquisition date and price by the related party, the original trading counterparty, and that trading counterparty's relationship to the Company and the related party.</p> <p>(V) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with Paragraph 1.</p>	<p>redemption of money market funds issued by domestic securities investment trust enterprises in the place of listing, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and passed through resolution by the Board of Directors.</p> <p>(I) The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets.</p> <p>(II) The reason for choosing the specific related party as the transaction counterparty.</p> <p>(III) With respect to the acquisition or disposal of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms shall be conducted in accordance with Subparagraphs 1 to 5, Paragraph 3 of this Article.</p> <p>(IV) The original acquisition date and price by the related party, the original trading counterparty, and that trading counterparty's relationship to the Company and the related party.</p> <p>(V) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with Paragraph 1.</p>	

After Amendment	Before Amendment	Explanation
<p>(VII) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>If the Company or a subsidiary of the Company that is not a public company in the place where the Company is listed has the transaction mentioned in the preceding subparagraph of this paragraph, and the transaction amount is more than 10% of the Company's total assets, the information listed in the preceding subparagraph shall be submitted to the Company's shareholders meeting for approval. Only after that can the transaction contract be executed and the payment be made. However, the transaction between the Company and its subsidiary, or between the Company's subsidiaries, is not subject to this limitation. The calculation of the transaction amounts referred to in the Subparagraphs 1 and 2 of this Paragraph shall be made in accordance with the information disclosure provisions in Article 13 of these Procedures, and the within one year as used herein refers to the one year preceding the date of occurrence of the current transaction. Items that have been submitted to the Shareholders' Meeting after being approved by the Board of Directors and recognized by the <u>Audit and Risk Committee</u> according to these Procedures need not be counted toward the transaction amount. For transactions between the Company and its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the total issued shares or capital, involving the acquisition or</p>	<p>(VII) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>If the Company or a subsidiary of the Company that is not a public company in the place where the Company is listed has the transaction mentioned in the preceding subparagraph of this paragraph, and the transaction amount is more than 10% of the Company's total assets, the information listed in the preceding subparagraph shall be submitted to the Company's shareholders meeting for approval. Only after that can the transaction contract be executed and the payment be made. However, the transaction between the Company and its subsidiary, or between the Company's subsidiaries, is not subject to this limitation. The calculation of the transaction amounts referred to in the Subparagraphs 1 and 2 of this Paragraph shall be made in accordance with the information disclosure provisions in Article 13 of these Procedures, and the within one year as used herein refers to the one year preceding the date of occurrence of the current transaction. Items that have been submitted to the shareholders meeting after being approved by the board of directors and recognized by the supervisors according to these Procedures need not be counted toward the transaction amount. For transactions between the Company and its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the total issued shares or capital, involving the acquisition or disposal of equipment or right-</p>	

After Amendment	Before Amendment	Explanation
<p>disposal of equipment or right-of-use assets thereof for business use or usage rights to real estate for business use, if the transaction amount does not reach 10% of the Company's capital, the Board of Directors may authorize the Chairman to make decisions in advance, with the transaction to be submitted to the next Board of Directors meeting for ratification.</p> <p>III. Reasonability assessment of the transaction cost</p> <p>(I) Where the Company acquires real estate or right-of-use assets thereof from a related party, the reasonability of the transaction costs should be assessed by the following means:</p> <ol style="list-style-type: none"> 1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. Necessary interest on funding is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance. 2. If the related party has previously used the subject asset as collateral for a loan from a financial institution, the actual cumulative amount loaned by the financial institution shall have been 70% or more of the financial institution's appraised loan value of the property and the 	<p>of-use assets thereof for business use or usage rights to real estate for business use, if the transaction amount does not reach 10% of the Company's capital, the Board of Directors may authorize the Chairman to make decisions in advance, with the transaction to be submitted to the next Board of Directors meeting for ratification.</p> <p>III. Reasonability assessment of the transaction cost</p> <p>(I) Where the Company acquires real estate or right-of-use assets thereof from a related party, the reasonability of the transaction costs should be assessed by the following means:</p> <ol style="list-style-type: none"> 1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. Necessary interest on funding is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance. 2. If the related party has previously used the subject asset as collateral for a loan from a financial institution, the actual cumulative amount loaned by the financial institution shall have been 70% or more of the financial institution's appraised loan value of the property and the period of the loan shall 	

After Amendment	Before Amendment	Explanation
<p>period of the loan shall have been 1 year or more. However, this shall not apply if the financial institution is a related party of one of the transaction counterparties.</p> <p>(II) In cases where land and buildings pertaining to the transaction are acquired or leased together, the transaction cost may be assessed separately for the land and the building using any of the methods listed in the preceding paragraph.</p> <p>(III) Where the Company acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real estate property or right-of-use assets thereof in accordance with Subparagraphs (1) and (2) of Paragraph 3, the Company shall also engage a certified public accountant to re-check the appraisal and render a concrete opinion.</p> <p>(IV) Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, it shall be handled in accordance with the assessment and operational procedures in Paragraphs 1 and 2 of this Article. The transaction cost reasonability assessment described in Subparagraphs 1, 2, and 3, Paragraph 3 of this Article is not applicable.</p> <p>1. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.</p>	<p>have been 1 year or more. However, this shall not apply if the financial institution is a related party of one of the transaction counterparties.</p> <p>(II) In cases where land and buildings pertaining to the transaction are acquired or leased together, the transaction cost may be assessed separately for the land and the building using any of the methods listed in the preceding paragraph.</p> <p>(III) Where the Company acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real estate property or right-of-use assets thereof in accordance with Subparagraphs (1) and (2) of Paragraph 3, the Company shall also engage a certified public accountant to re-check the appraisal and render a concrete opinion.</p> <p>(IV) Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, it shall be handled in accordance with the assessment and operational procedures in Paragraphs 1 and 2 of this Article. The transaction cost reasonability assessment described in Subparagraphs 1, 2, and 3, Paragraph 3 of this Article is not applicable.</p> <p>1. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.</p>	

After Amendment	Before Amendment	Explanation
<p>2. More than 5 years have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.</p> <p>3. The real property is acquired through signing of a joint development contract with the Company's related party, or through engaging a related party to build real property, either on the Company's own land or on rented land.</p> <p>4. The real property right-of-use assets for business use are acquired between the Company and its subsidiaries, or by its subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital.</p> <p>(V) Where the Company acquires real estate property from a related party or right-of-use assets thereof and the results of appraisals conducted in accordance with Subparagraphs (1) and (2), Paragraph 3 of this Article are uniformly lower than the transaction price, it shall be handled in accordance with Subparagraphs (6) and (7), Paragraph 3 of this Article. However, such restriction shall not apply if any of the following circumstances exists, objective evidence has been submitted, and specific opinions on the reasonability of the transaction have been respectively provided by the</p>	<p>2. More than 5 years have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.</p> <p>3. The real property is acquired through signing of a joint development contract with the Company's related party, or through engaging a related party to build real property, either on the Company's own land or on rented land.</p> <p>4. The real property right-of-use assets for business use are acquired between the Company and its subsidiaries, or by its subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital.</p> <p>(V) Where the Company acquires real estate property from a related party or right-of-use assets thereof and the results of appraisals conducted in accordance with Subparagraphs (1) and (2), Paragraph 3 of this Article are uniformly lower than the transaction price, it shall be handled in accordance with Subparagraphs (6) and (7), Paragraph 3 of this Article. However, such restriction shall not apply if any of the following circumstances exists, objective evidence has been submitted, and specific opinions on the reasonability of the transaction have been respectively provided by the</p>	

After Amendment	Before Amendment	Explanation
<p>professional real property appraiser and the certified public accountant:</p> <p>1. Where the related party acquires undeveloped or leased land for construction, it may submit proof in compliance with one of the following conditions:</p> <p>(1) Where undeveloped land is appraised in accordance with the means in the preceding article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. A reasonable construction profit is deemed as the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.</p> <p>(2) Completed transactions by unrelated parties within one year involving other floors of the same property or property in a neighboring area, where the area and transaction terms are similar after considering reasonable price discrepancies in floor</p>	<p>professional real property appraiser and the certified public accountant:</p> <p>1. Where the related party acquires undeveloped or leased land for construction, it may submit proof in compliance with one of the following conditions:</p> <p>(1) Where undeveloped land is appraised in accordance with the means in the preceding article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. A reasonable construction profit is deemed as the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.</p> <p>(2) Completed transactions by unrelated parties within one year involving other floors of the same property or property in a neighboring area, where the area and transaction terms are similar after considering reasonable price discrepancies in floor</p>	

After Amendment	Before Amendment	Explanation
<p>or area land prices in accordance with standard property market sale or leasing practices.</p> <p>2. Where the Company is acquiring real property or obtaining real property right-of-use assets through leasing from a related party and provides evidence that the terms of the transaction are similar to the terms of transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.</p> <p>Transactions involving neighboring parcels of land in this subparagraph refer to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value. Similar size refers to transactions completed by unrelated parties for properties with a land area of no less than 50% of the property in the proposed transaction.</p> <p>Within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or its right-of-use assets.</p> <p>(VI) Where the Company acquires real estate property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with Subparagraphs (4) and (5), Paragraph 3 of this Article are uniformly lower than the transaction price,</p>	<p>or area land prices in accordance with standard property market sale or leasing practices.</p> <p>2. Where the Company is acquiring real property or obtaining real property right-of-use assets through leasing from a related party and provides evidence that the terms of the transaction are similar to the terms of transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.</p> <p>Transactions involving neighboring parcels of land in this subparagraph refer to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value. Similar size refers to transactions completed by unrelated parties for properties with a land area of no less than 50% of the property in the proposed transaction.</p> <p>Within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or its right-of-use assets.</p> <p>(VI) Where the Company acquires real estate property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with Subparagraphs (4) and (5), Paragraph 3 of this Article are uniformly lower than the transaction price,</p>	

After Amendment	Before Amendment	Explanation
<p>the following steps shall be taken:</p> <ol style="list-style-type: none"> 1. A special reserve shall be set aside in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act against the difference between the real estate property or its right-of-use asset transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. If the Company's investor is a public company that uses the equity method to account for its investment in the Company, a special reserve shall be also set aside pro rata in a proportion consistent with such investor's shareholding in the Company in accordance with Paragraph 1, Article 41 of the Securities and Exchange Act. 2. The independent directors of the Audit <u>and Risk</u> Committee shall handle the relevant matters in accordance with Article 218 of the Company Act of the place of listing. 3. Actions taken pursuant to items 1 and 2 shall be reported to a General Shareholders' Meeting, and the details of the transaction shall be disclosed in the Annual Report and Investment Prospectus. <p>Where the Company and any public company applying the equity method to account for its investment in the Company have set</p>	<p>the following steps shall be taken:</p> <ol style="list-style-type: none"> 1. A special reserve shall be set aside in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act against the difference between the real estate property or its right-of-use asset transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. If the Company's investor is a public company that uses the equity method to account for its investment in the Company, a special reserve shall be also set aside pro rata in a proportion consistent with such investor's shareholding in the Company in accordance with Paragraph 1, Article 41 of the Securities and Exchange Act. 2. The independent directors of the Audit Committee shall handle the relevant matters in accordance with Article 218 of the Company Act of the place of listing. 3. Actions taken pursuant to items 1 and 2 shall be reported to a General Shareholders' Meeting, and the details of the transaction shall be disclosed in the Annual Report and Investment Prospectus. <p>Where the Company and any public company applying the equity method to account for its investment in the Company have set</p>	

After Amendment	Before Amendment	Explanation
<p>aside a special reserve in accordance with the preceding subparagraph, the Company may not utilize such special reserve unless it has recognized a loss on decline in market value of the real property it purchased or leased at a premium, such real property has been disposed of, the leasing contract has been terminated, adequate compensation has been made, the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.</p> <p>(VII)When the Company obtains real estate property or right-of-use assets thereof from a related party, it shall also comply with the Subparagraph (6) of Paragraph 3 if there is other evidence indicating that the acquisition was not an arm's length transaction.</p>	<p>aside a special reserve in accordance with the preceding subparagraph, the Company may not utilize such special reserve unless it has recognized a loss on decline in market value of the real property it purchased or leased at a premium, such real property has been disposed of, the leasing contract has been terminated, adequate compensation has been made, the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.</p> <p>(VII)When the Company obtains real estate property or right-of-use assets thereof from a related party, it shall also comply with the Subparagraph (6) of Paragraph 3 if there is other evidence indicating that the acquisition was not an arm's length transaction.</p>	
<p>Article 11-1: Handling of objections expressed by directors</p> <p>(I) With respect to the Company's acquisition or disposal of assets that is subject to the approval of the Board of Directors under these procedures or other laws or regulations, if a director objects and the objection is recorded in the minutes or a written statement, the Company shall submit the director's objection to each independent director. When the transactions related to the acquisition or disposal of assets by the Company is proposed for discussion by the Board of Directors in accordance with regulations, the opinions of independent directors must also</p>	<p>Article 11-1: Handling of objections expressed by directors</p> <p>(I) With respect to the Company's acquisition or disposal of assets that is subject to the approval of the Board of Directors under these procedures or other laws or regulations, if a director objects and the objection is recorded in the minutes or a written statement, the Company shall submit the director's objection to each independent director. When the transactions related to the acquisition or disposal of assets by the Company is proposed for discussion by the Board of Directors in accordance with regulations, the opinions of independent directors must also</p>	<p>The Audit Committee of the Company was renamed as the Audit and Risk Committee.</p>

After Amendment	Before Amendment	Explanation
<p>be fully taken into consideration. Any objections or qualified opinions made by independent directors must be detailed in the Board meeting minutes.</p> <p>(II) The Company's asset acquisition or disposal transactions that require the approval of the Audit <u>and Risk</u> Committee in accordance with the Procedures or other laws and regulations shall be approved by more than half of the Audit <u>and Risk</u> Committee and reported to the Board of Directors for resolution. If approval of more than half of all Audit <u>and Risk</u> Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit <u>and Risk</u> Committee shall be recorded in the minutes of the Board of Directors meeting.</p> <p>(III) The terms all Audit <u>and Risk</u> Committee members and all directors as stated in these Procedures shall be counted based on the actual number of persons currently holding those positions.</p>	<p>be fully taken into consideration. Any objections or qualified opinions made by independent directors must be detailed in the Board meeting minutes.</p> <p>(II) The Company's asset acquisition or disposal transactions that require the approval of the Audit Committee in accordance with the Procedures or other laws and regulations shall be approved by more than half of the Audit Committee and reported to the Board of Directors for resolution. If approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.</p> <p>(III) The terms all Audit Committee members and all directors as stated in these Procedures shall be counted based on the actual number of persons currently holding those positions.</p>	
<p>Article 16: Implementation and Revision</p> <p>I. The stipulation or amendment of the Company's "Procedures for Acquisition and Disposal of Assets" shall be implemented after it is approved by the Audit <u>and Risk</u> Committee, then the Board of Directors and reported to the Shareholders' Meeting. If any director objects and such objection is recorded or submitted in writing, the Company shall submit the objection to the Audit <u>and Risk</u> Committee and submit it for discussion at the Shareholders' Meeting. The same process shall</p>	<p>Article 16: Implementation and Revision</p> <p>I. The stipulation or amendment of the Company's "Procedures for Acquisition and Disposal of Assets" shall be implemented after it is approved by the Audit Committee, then the Board of Directors and reported to the Shareholders' Meeting. If any director objects and such objection is recorded or submitted in writing, the Company shall submit the objection to the Audit Committee and submit it for discussion at the Shareholders' Meeting. The same process shall</p>	<p>The Audit Committee of the Company was renamed as the Audit and Risk Committee.</p>

After Amendment	Before Amendment	Explanation
<p>apply in the event of any amendments.</p> <p>II. The stipulation or amendment of the Procedures by the Audit <u>and Risk</u> Committee requires approval of one-half or more of all its members. If approval of half of all Audit <u>and Risk</u> Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit <u>and Risk</u> Committee shall be recorded in the minutes of the Board of Directors meeting.</p> <p>III. The total number of members of the Audit <u>and Risk</u> Committee and the total number of directors shall be calculated based on the actual number of persons currently holding those positions.</p>	<p>apply in the event of any amendments.</p> <p>II. The stipulation or amendment of the Procedures by the Audit Committee requires approval of one-half or more of all its members. If approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.</p> <p>III. The total number of members of the Audit Committee and the total number of directors shall be calculated based on the actual number of persons currently holding those positions.</p>	

Zhen Ding Technology Holding Limited
**Comparison Table of the Amended "Policies and Procedures for Financial
Derivatives Transactions"**

After Amendment	Before Amendment	Explanation
<p>Article 4: Organization and performance evaluation</p> <p>I. Financial Management Committee:</p> <p>(I) The Company has established a Financial Management Committee under the Board Office as appointed by the Board of Directors, which is responsible for performance evaluations, oversight of handling procedures, and other related financial management measures.</p> <p>(II) The Financial Management Committee shall establish a log book for derivative financial product trading in accordance with Article 4 for review by the Board of Directors.</p> <p>II. Operating group: It is composed of the Finance Department and implements operations within the limits of Paragraph 4, Article 3. The Financial Management Committee may, based on actual operational conditions, request the Finance Department make necessary adjustments in writing.</p> <p>III. Audit: The Audit Office shall periodically assess the adequacy of the internal controls over derivative trading and conduct monthly audits of the trading department's compliance with these Procedures. The results shall be prepared into audit reports accordingly. In the event of any material violations, the Audit Office shall notify the Audit <u>and Risk</u> Committee in writing.</p> <p>Omitted.</p>	<p>Article 4: Organization and performance evaluation</p> <p>I. Financial Management Committee:</p> <p>(I) The Company has established a Financial Management Committee under the Board Office as appointed by the Board of Directors, which is responsible for performance evaluations, oversight of handling procedures, and other related financial management measures.</p> <p>(II) The Financial Management Committee shall establish a log book for derivative financial product trading in accordance with Article 4 for review by the Board of Directors.</p> <p>II. Operating group: It is composed of the Finance Department and implements operations within the limits of Paragraph 4, Article 3. The Financial Management Committee may, based on actual operational conditions, request the Finance Department make necessary adjustments in writing.</p> <p>III. Audit: The Audit Office shall periodically assess the adequacy of the internal controls over derivative trading and conduct monthly audits of the trading department's compliance with these Operating Procedures. The results shall be prepared into audit reports accordingly. In the event of any material violations, the Audit Office shall notify the Audit Committee in writing.</p> <p>Omitted.</p>	<p>The Audit Committee of the Company was renamed as the Audit and Risk Committee.</p>

After Amendment	Before Amendment	Explanation
<p>Article 11: Implementation and revision</p> <p>I. The Operating Procedures shall be implemented after it is approved by the Audit <u>and Risk</u> Committee, then the Board of Directors and reported to the Shareholders' Meeting. The same process shall apply in the event of any amendments. If any director objects and such objection is recorded or submitted in writing, the Company shall submit the objection to the Audit <u>and Risk</u> Committee and submit it for discussion at the Shareholders' Meeting. The same process shall apply in the event of any amendments.</p> <p>II. The stipulation or amendment of the Operational Procedures by the Audit <u>and Risk</u> Committee requires approval of one-half or more of all its members. If approval of more than half of all Audit <u>and Risk</u> Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit <u>and Risk</u> Committee shall be recorded in the minutes of the Board of Directors meeting.</p> <p>III. The total number of members of the Audit <u>and Risk</u> Committee and the total number of directors shall be calculated based on the actual number of persons currently holding those positions.</p>	<p>Article 11: Implementation and revision</p> <p>I. The Operational Procedures shall be implemented after it is approved by the Audit Committee, then the Board of Directors and reported to the Shareholders' Meeting. The same process shall apply in the event of any amendments. If any director objects and such objection is recorded or submitted in writing, the Company shall submit the objection to the Audit Committee and submit it for discussion at the Shareholders' Meeting. The same process shall apply in the event of any amendments.</p> <p>II. The stipulation or amendment of the Operational Procedures by the Audit Committee requires approval of one-half or more of all its members. If approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.</p> <p>III. The total number of members of the Audit Committee and the total number of directors shall be calculated based on the actual number of persons currently holding those positions.</p>	<p>The Audit Committee of the Company was renamed as the Audit and Risk Committee.</p>

Zhen Ding Technology Holding Limited
Comparison Table of the Amended "Procedures for Endorsements and Guarantees"

After Amendment	Before Amendment	Explanation
<p>Article 9: Matters to note when handling endorsements and guarantees</p> <p>I. The unit responsible for managing endorsements and guarantees shall establish an endorsement and guarantee log book, which shall record in detail the subject of endorsement and guarantee, amount, date of approval by the Board of Directors or resolution by the Chairman of the Board, date of endorsement and guarantee, matters that should be carefully evaluated in accordance with the provisions of these operating procedures, contents of collateral and its assessed value, and conditions and date for release of endorsement and guarantee liability for reference.</p> <p>II. After the endorsement and guarantee process is completed, the unit responsible for managing endorsements and guarantees shall submit the promissory notes, papers, and other debt instruments, as well as collateral documents, insurance policies, and related correspondence, to the custody and management unit for verification and safekeeping.</p> <p>III. The internal audit unit of the Company shall audit the Operational Procedures for Endorsements and Guarantees and its implementation at least once every quarter and keep written records. In case of major violations, they shall notify the Audit <u>and Risk</u> Committee in writing.</p> <p>IV. If, due to changes in circumstances, the counterparty of an endorsement or guarantee no longer complies with Article 3 of these Operational</p>	<p>Article 9: Matters to note when handling endorsements and guarantees</p> <p>I. The unit responsible for managing endorsements and guarantees shall establish an endorsement and guarantee log book, which shall record in detail the subject of endorsement and guarantee, amount, date of approval by the Board of Directors or resolution by the Chairman of the Board, date of endorsement and guarantee, matters that should be carefully evaluated in accordance with the provisions of these operating procedures, contents of collateral and its assessed value, and conditions and date for release of endorsement and guarantee liability for reference.</p> <p>II. After the endorsement and guarantee process is completed, the unit responsible for managing endorsements and guarantees shall submit the promissory notes, papers, and other debt instruments, as well as collateral documents, insurance policies, and related correspondence, to the custody and management unit for verification and safekeeping.</p> <p>III. The internal audit unit of the Company shall audit the Operational Procedures for Endorsements and Guarantees and its implementation at least once every quarter and keep written records. In case of major violations, they shall notify the Audit Committee in writing.</p> <p>IV. If, due to changes in circumstances, the counterparty of an endorsement or guarantee no longer complies with Article 3 of these Operational Procedures, or the amount of the</p>	<p>The Audit Committee of the Company was renamed as the Audit and Risk Committee.</p>

After Amendment	Before Amendment	Explanation
<p>Procedures, or the amount of the endorsement or guarantee exceeds the limit set forth in Article 4, the unit responsible for managing endorsements and guarantees shall immediately notify the audit unit, formulate an improvement plan, and have the audit unit submit it to the Audit <u>and Risk</u> Committee. The improvements shall be completed according to the schedule established in the plan. The same applies if the subject of endorsements and guarantees is a subsidiary whose net worth is less than one-half of the paid-in capital. For subsidiaries whose shares have no par value or a par value per share other than NT\$10, the paid-in capital calculated in accordance with the aforementioned provisions shall be the sum of the capital stock and capital surplus minus the premium on stock issuance.</p> <p>Omitted.</p>	<p>endorsement or guarantee exceeds the limit set forth in Article 4, the unit responsible for managing endorsements and guarantees shall immediately notify the audit unit, formulate an improvement plan, and have the audit unit submit it to the Audit Committee. The improvements shall be completed according to the schedule established in the plan. The same applies if the subject of endorsements and guarantees is a subsidiary whose net worth is less than one-half of the paid-in capital. For subsidiaries whose shares have no par value or a par value per share other than NT\$10, the paid-in capital calculated in accordance with the aforementioned provisions shall be the sum of the capital stock and capital surplus minus the premium on stock issuance.</p> <p>Omitted.</p>	
<p>Article 14: Implementation and revision</p> <p>I. The Operational Procedures shall be implemented upon approval by the Audit <u>and Risk</u> Committee and the Board of Directors, and upon ratification by the Shareholders' Meeting. If any director objects and such objection is recorded or submitted in writing, the Company shall submit the objection to the Audit <u>and Risk</u> Committee and submit it for discussion at the Shareholders' Meeting. The same process shall apply in the event of any amendments.</p> <p>II. The stipulation or amendment of the Operational Procedures by the Audit <u>and Risk</u> Committee requires approval of one-half or more of all its members. If approval of more than half of all Audit <u>and Risk</u> Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit and Risk</p>	<p>Article 14: Implementation and revision</p> <p>I. The Operational Procedures shall be implemented upon approval by the Audit Committee and the Board of Directors, and upon ratification by the Shareholders' Meeting. If any director objects and such objection is recorded or submitted in writing, the Company shall submit the objection to the Audit Committee and submit it for discussion at the Shareholders' Meeting. The same process shall apply in the event of any amendments.</p> <p>II. The stipulation or amendment of the Operational Procedures by the Audit Committee requires approval of one-half or more of all its members. If approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be</p>	<p>The Audit Committee of the Company was renamed as the Audit and Risk Committee.</p>

After Amendment	Before Amendment	Explanation
<p>Committee shall be recorded in the minutes of the Board of Directors meeting.</p> <p>III. The total number of members of the Audit <u>and Risk</u> Committee and the total number of directors shall be calculated based on the actual number of persons currently holding those positions.</p>	<p>recorded in the minutes of the Board of Directors meeting.</p> <p>III. The total number of members of the Audit Committee and the total number of directors shall be calculated based on the actual number of persons currently holding those positions.</p>	

Zhen Ding Technology Holding Limited

Shareholding Status of All Directors

- I. The Company's paid-in capital is NT\$9,566,525,090, and issued outstanding shares totaled 956,652,509 shares.
- II. According to the regulations stipulated in the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" of the place where the listing is made, the Company's shares held by the directors are 30,612,880 shares. The total number of shares held by all directors as of the book closure date is 310,323,627 shares, which has complied with the legal regulations.
- III. The Company has established an Audit and Risk Committee and therefore the Supervisor has not applied the applicable laws and regulations.

Book closure date: March 31, 2025

Title	Major Institutional Shareholders	Date Elected	Number of shares held when elected	Number of Shares Held at Current
Chairman	Chang-Fang Shen	2023.05.30	4,588,000	4,688,000
Director	Foxconn (FarEast) Limited Legal representative: Che-Hung Yu	2023.05.30	305,515,627	305,515,627
Director	Ting-Chuan Lee	2023.05.30	80,000	120,000
Independent Director	Chen-Fu Chien (Note)	2023.05.30	0	(Note)
Independent Director	Shin-Cheng Yeh	2023.05.30	0	0
Independent Director	Gin-Ing Hu	2023.05.30	0	0
Independent Director	Chun-Chung Chen	2023.05.30	0	0
Total shareholdings of all directors			310,183,627	310,323,627

Note: Independent Director Chen-Fu Chien resigned from the position of independent director and various functional committees on February 27, 2025.

**The sixteenth amended and restated memorandum and Articles of Association
of**

Zhen Ding Technology Holding Limited

(Adopted by a Special Resolution passed on May 30, 2023)

Incorporated on the 5th day of June, 2006

Incorporated in the Cayman Islands

Cayman Islands Companies Act (revised)
Company Limited by Shares
The sixteenth amended and restated memorandum of Association
of
Zhen Ding Technology Holding Limited

(Adopted by a Special Resolution passed on May 30, 2023)

1. The name of the Company is Zhen Ding Technology Holding Limited 臻鼎科技控股股份有限公司.
2. The Registered Office of the Company shall be at the offices of Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands or at such other place as the Directors may from time to time decide.
3. The objects for which the Company is established are unrestricted and shall include, but without limitation, the following:
 - (a) (i) To carry on the business of an investment company and to act as promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.
 - (ii) To carry on whether as principals, agents or otherwise howsoever the business of realtors, developers, consultants, estate agents or managers, builders, contractors, engineers, manufacturers, dealers in or vendors of all types of property including services.
 - (b) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.
 - (c) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licenses, stocks, shares, bonds, policies, book debts, business concerns, undertakings, claims, privileges and choses in action of all kinds.
 - (d) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or cooperation with any person or company and to promote and aid in promoting, to constitute, form or organize any company, syndicate or partnership of any kind, for the purpose of acquiring and undertaking any property and liabilities of the Company or of advancing, directly or indirectly, the objects of the Company or for any other purpose which the Company may think expedient.
 - (e) To stand surety for or to guarantee, support or secure the performance of all or any or the obligations of any person, firm or company whether or not related or affiliated to the Company in any manner and whether by personal covenant or by mortgage, charge or lien

upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by any such method and whether or not the Company shall receive valuable consideration thereof.

- (f) To engage in or carry on any other lawful trade, business or enterprise which may at any time appear to the Directors of the Company capable of being conveniently carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the Directors or the Company likely to be profitable to the Company.

In the interpretation of this Memorandum of Association in general and of this Clause 3 in particular no object, business or power specified or mentioned shall be limited or restricted by reference to or inference from any other object, business or power, or the name of the Company, or by the juxtaposition of two or more objects, businesses or powers and that, in the event of any ambiguity in this clause or elsewhere in this Memorandum of Association, the same shall be resolved by such interpretation and construction as will widen and enlarge and not restrict the objects, businesses and powers of and exercisable by the Company.

4. Except as prohibited or limited by the Companies Act (Revised), the Company shall have full power and authority to carry out any object and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company, and the power to do any of the following acts or things, viz: to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the undertaking or on all or any of the assets of the Company including uncalled capital or without security; to invest monies of the Company in such manner as the Directors determine; to promote other companies; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to Members of the Company; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers, employees, past or present and their families; to purchase Directors and officers liability insurance and to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Directors, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid PROVIDED THAT the Company shall only carry on the businesses for which a license is required under the laws of the Cayman Islands when so licensed under the terms of such laws.
5. The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.
6. The share capital of the Company is NTD16,000,000,000 divided into 1,600,000,000 ordinary shares of a par value of NTD10 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Act (Revised) and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or

restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained PROVIDED ALWAYS that, notwithstanding any provision to the contrary contained in this Memorandum of Association, the Company shall have no power to issue bearer shares, warrants, coupons or certificates.

7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Act (Revised) and, subject to the provisions of the Companies Act (Revised) and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

Cayman Islands Companies Act (revised)
Company Limited by Shares

The sixteenth amended and restated Articles of Association
of

Zhen Ding Technology Holding Limited

(Adopted by a Special Resolution passed on May 30, 2023)

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The sixteenth amended and restated Articles of Association
of
Zhen Ding Technology Holding Limited
(Adopted by a Special Resolution passed on May 30, 2023)

The statutes in Form A, Attachment 1 of the law (as defined below) are not applicable to the Company.

INTERPRETATION

1. Definitions

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

Applicable Law	the Applicable Public Company Rules, the law or such other rules or legislation applicable to the Company;
Applicable Public Company Rules	the ROC laws, rules and regulations (including, without limitation, the Company Act, the Securities and Exchange Act, the Business Mergers and Acquisitions Act, the rules and regulations promulgated by the FSC and the rules and regulations promulgated by the TWSE, as amended from time to time) affecting public reporting companies or companies listed on any ROC stock exchange or securities market that from time to time are required by the relevant regulator as applicable to the Company;
Appointed Representative	has the meaning given thereto in Article 34.5;
Articles	these Articles of Association as altered from time to time;
Audit Committee	the audit committee of the Board, which shall comprise solely of Independent Directors of the Company;
Board	the Board of Directors appointed or elected pursuant to these Articles and acting at a meeting of directors at which there is a quorum in accordance with these Articles;
Capital Reserve	for the purpose of these Articles only, comprises of the premium paid on the issuance of any share and income from endowments received by the Company under the law;
Chairman	the Director elected amongst all the Directors as the chairman of the Board;
Company	Zhen Ding Technology Holding Limited 臻鼎科技控股股份有限公司;
Remuneration Committee	a committee of the Board, which shall be comprised of professional individuals and having the functions, in each case, prescribed by the Applicable Public Company Rules;
Cumulative Voting	the voting mechanism for an election of Directors as described in Article 34.2;
Directors	the directors for the time being of the Company and shall include any and all Independent Director(s);
Dissenting Member	has the meaning given thereto in Article 27.2;

Dividend	means any dividend resolved to be paid on the shares of the Company pursuant to the Articles;
Electronic Record	has the same meaning as in the Electronic Transactions Law;
Electronic Transactions Law	the Electronic Transactions Law (Revised) of the Cayman Islands;
FSC	the Financial Supervisory Commission of the ROC;
Independent Directors	the Directors who are elected as "Independent Directors" in accordance with the Applicable Public Company Rules;
Joint Operation Contract	a contract between the Company and one or more person(s) or entity(ies) where the parties thereto agree to pursue the same business venture and jointly bear losses and enjoy profits arising out of such business venture in accordance with the terms thereof;
Law	The Companies Act (Revised) of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force.
Lease Contract	a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) lease or rent from the Company the necessary means and assets to operate the whole business of the Company in the name of such person, and as compensation, the Company receives a pre-determined payment from such person;
Management Contract	a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) manage and operate the business of the Company in the name of and for the benefit of the Company, and as compensation, such person(s) receive a pre-determined payment from the Company, while the Company continues to be entitled to the profits (or losses) of such business;
Market Observation Post System	the public company reporting system maintained by the Taiwan Stock Exchange Corporation, via http://newmopsov.twse.com.tw/ ;
Member	the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
Memorandum Merger	the memorandum of association of the Company; a transaction whereby: (a) a "merger" or "consolidation" as defined under the Law; or (b) other forms of mergers and acquisitions which fall within the definition of "merger" or "acquisition" under the Applicable Public Company Rules;
Month	calendar month;
Notice	written notice as further provided in these Articles unless otherwise specifically stated;
Officer	any person appointed by the Board to hold an office in the Company;

Ordinary Resolution	a resolution passed at a general meeting (or, if so specified, a meeting of Members holding a class of shares) of the Company by not less than a simple majority of the votes cast;
Private Placement	means, after the shares are listed on the TWSE, obtaining subscription for, or the sale of, shares, options, warrants, rights of holders of debt or equity securities which enable those holders to subscribe further securities (including shares), or other securities of the Company, either by the Company itself or a person authorized by the Company, primarily from or to specific investors in the ROC as prescribed under the Applicable Public Company Rules and permitted by the competent securities authority in the ROC, but excluding any employee incentive program or subscription agreement, warrant, option or issuance of Shares under Articles 2.5, 2.8 and 2.10 hereof;
Preferred Shares	has the meaning given thereto in Article 6;
Register of Directors and Officers	the register of directors and officers referred to in these Articles;
Register of Members	the register of Members of the Company maintained in accordance with the law and (as long as the Company is listed on the TWSE,) the Applicable Public Company Rules;
Registered Office	the registered office for the time being of the Company;
Replacement	has the meaning given thereto in Article 34.6;
Restricted Shares	has the meaning given thereto in Article 2.5;
ROC	Taiwan, the Republic of China;
Seal	the common seal or any official or duplicate seal of the Company;
Secretary	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary;
share(s)	share(s) of par value NT\$10 each in the Company;
Share Swap	a 100% share swap as defined in the ROC Business Mergers and Acquisitions Act whereby a company (the "Acquiring Company") acquires all the issued and outstanding shares of another company with the consideration being the shares of the Acquiring Company, cash or other assets;
Share Exchange	a share exchange as permitted under the ROC Company Act whereby a company acquires a portion of the issued and outstanding shares of another company with the consideration being the newly issued shares of such acquiring company;
Special Resolution	Subject to the Law, means a resolution passed at a general meeting of the Company by a majority of at least two-thirds of the votes cast by such Members who, being entitled to do so, vote in person or by their proxies, or, in the case of Members that are corporations or other non-natural person, by their duly authorized representatives by computing the number of votes to which each Member is entitled;

Spin-off	a spin-off as defined in the ROC. Business Mergers and Acquisitions Act whereby a company transfers a part or all of its business that may be operated independently to an existing company or a newly incorporated company (the "Acquirer") with the consideration being the shares of the Acquirer, cash or other assets;
Subsidiary	with respect to any company, (1) an entity, one half or more of whose total number of the issued voting shares or the total amount of the share capital are directly or indirectly held by such company; (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation; (3) the entity, one half or more of whose shareholders involved in management or board of directors are concurrently acting as the shareholders involved in management or board of directors of such company; and (4) the entity, one half or more of whose total number of issued voting shares or the total amount of the share capital are held by the same shareholder(s) of such company;
Supermajority Resolution	a resolution passed by a majority vote of the Members present at a general meeting attended by Members who represent two-thirds or more of the total issued shares or, if the total number of shares represented by the Members present at the general meeting is less than two-thirds of the total issued shares, but more than one half of the total issued shares, means instead, a resolution passed by two-thirds or more of votes cast by the Members present at such general meeting;
Treasury Shares	has the meaning given thereto in Article 3.12;
TDCC	means the Taiwan Depository & Clearing Corporation;
TWSE	Taiwan Stock Exchange Corporation.
year	calendar year.

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

- (a) words denoting the plural number include the singular number and vice versa;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:
 - (i) "may" shall be construed as permissive; and
 - (ii) "shall" shall be construed as imperative;
- (e) "written" and "in writing" include all modes of representing or reproducing words in visible form, including the form of an Electronic Record;
- (f) a reference to statutory provision shall be deemed to include any amendment or re-enactment thereof;
- (g) unless otherwise provided herein, words or expressions defined in the law shall bear the same meaning in these Articles; and
- (h) Section 8 of the Electronic Transactions Law shall not apply to the extent that it imposes obligations or requirements in addition to those set out in these Articles.

- 1.3. In these Articles expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.
- 1.4. Headings used in these Articles are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. Power to Issue Shares

- 2.1 Subject to these Articles and any resolution of the shareholders to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Company may by resolution of the shareholders prescribe, provided that no share shall be issued at a discount except in accordance with the law.
- 2.2 Unless otherwise provided in these Articles, the issue of new shares of the Company shall be approved by the Board. The issue of new shares shall at all times be subject to the sufficiency of the authorized capital of the Company.
- 2.3 Where the Company increases its issued share capital by issuing new shares for cash consideration in the ROC, the Company shall allocate 10% of the total amount of the new shares to be issued, for offering in the ROC to the public ("Public Offering Portion") unless it is not necessary or appropriate, as determined by the FSC or TWSE for the Company to conduct the aforementioned public offering. However, if a percentage higher than the aforementioned 10% is resolved by the Members in a general meeting by Ordinary Resolution to be offered, the percentage determined by such resolution shall prevail and shares corresponding to such percentage shall be reserved as Public Offering Portion. The Company shall also reserve 10% to 15% of such new shares for subscription by the employees of the Company and its Subsidiaries (the "Employee Subscription Portion").
- 2.4 Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration, after allocation of the Public Offering Portion and the Employee Subscription Portion pursuant to Article 2.3 hereof, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights. Where an exercise of the pre-emptive right may result in fractional entitlement of a Member, the entitlements (including fractional entitlements) of two or more Members may be combined to jointly subscribe for one or more whole new shares in the name of a single Member, subject to compliance with such directions and terms and conditions as determined by the Board and the Applicable Public Company Rules. If the total number of the new shares to be issued has not been fully subscribed for by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed new shares to a specific person or persons in such manner as is consistent with the Applicable Public Company Rules..

If any person who has subscribed the new shares fails to pay when due any amount of the subscription price within the payment period as determined by the Company, the Company shall fix a period of no less than one month and demand for payment of the subscription price or the Company may declare a forfeiture of the subscription. No forfeiture of such subscription shall be declared as against any such person unless the amount due thereon shall remain unpaid for such period after such demand has been made. Notwithstanding the provisions of the preceding sentence, forfeiture of the subscription may be declared without the demand process if the payment period for subscription price set by the Company is one month or longer. Upon forfeiture of the subscription, the shares remaining unsubscribed to shall be offered for subscription in such manner as is consistent with the Applicable Public Company Rules.

- 2.5** Subject to the provisions of the law, the Company may issue new shares with restricted rights ("Restricted Shares") to employees of the Company and its Subsidiaries with the sanction of a Supermajority Resolution provided that Article 2.3 hereof shall not apply in respect of the issue of such shares. For so long as the shares are listed on the TWSE, the terms of issue of Restricted Shares, including but not limited to the number of Restricted Shares so issued, issue price of Restricted Shares and other related matters shall be in accordance with the Applicable Public Company Rules.
- 2.6** The preemptive right of employees under Article 2.3 and the preemptive right of Members under Article 2.4 shall not apply in the event that new shares are issued due to the following reasons or for the following purposes:
- (a) in connection with a Merger, Share Swap, Share Exchange, Spin-off, or pursuant to any reorganization of the Company;
 - (b) in connection with the Company's share options under share subscription and/or options, including those under Articles 2.8 and 2.10;
 - (c) in connection with the issue of Restricted Shares in accordance with Article 2.5 hereof;
 - (d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares;
 - (e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares;
 - (f) in connection with the issue of shares in accordance with Article 13.8; or
 - (g) in connection with Private Placement of the securities issued by the Company.
- 2.7** The Company shall not issue any unpaid shares or partly paid-up shares.
- 2.8** Notwithstanding Article 2.5 hereof, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, adopt one or more employee incentive programs and may issue shares or options, warrants or other similar instruments, to employees of the Company and its Subsidiaries, and for the avoidance of doubt, resolution of the Members is not required.
- 2.9** Options, warrants or other similar instruments issued in accordance with Article 2.8 above are not transferable save by inheritance.
- 2.10** The Company may enter into agreements with employees of the Company and/or the employees of its Subsidiaries in relation to the incentive program approved pursuant to Article 2.8 above, whereby employees may subscribe for, within a specific period, a specific number of the shares. The terms and conditions of such agreements shall be no less restrictive on the relevant employee than the terms specified in the applicable incentive program.

3. Redemption and Purchase of Shares

- 3.1** Without violating the law, the Company is authorized to issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or a Member.
- 3.2** The Company is authorized to make payments in respect of the redemption of its shares out of capital or out of any other account or fund authorized for this purpose in accordance with the law.
- 3.3** The redemption price of a redeemable share, or the method of calculation thereof, shall be fixed by the Board at or before the time of issue.
- 3.4** Every share certificate relating to redeemable share shall indicate that the share is redeemable.
- 3.5** Subject to the provisions of the law and these Articles, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, purchase its own shares (including any redeemable shares) on such terms and in such manner as the Directors may determine.
- 3.6** In the event that the Company propose to purchase any share listed on the TWSE pursuant to the preceding Article, the resolution of the Board approving such proposal and the implementation thereof should be reported to the Members in the next general meeting in accordance with the Applicable Public Company Rules. Such reporting obligation shall also apply even if the Company does not implement the proposal to purchase its shares listed on the TWSE for any reason.
- 3.7** The redemption price may be paid in any manner authorized by Article 15.1.
- 3.8** A delay in payment of the redemption price shall not affect the redemption but, in the case of a delay of more than thirty days, interest shall be paid for the period from the due date until actual payment at a rate which the Directors, after due inquiry, estimate to be representative of the rates being offered by banks holding "A" licenses (as defined in the Banks and Trust Companies Law (Revised) of the Cayman Islands) in the Cayman Islands for thirty-day deposits in the same currency.
- 3.9** The Directors may exercise as they think fit the powers conferred on the Company by Section 37(5) of the law (payment out of capital) but only if and to the extent that the redemption could not otherwise be made (or not without making a fresh issue of shares for this purpose).
- 3.10** Subject as aforesaid, the Directors may determine, as they think fit all questions that may arise concerning the manner in which the redemption of the shares shall or may be effected.
- 3.11** No share may be redeemed unless they are fully paid-up.
- 3.12** Shares that the Company purchases, redeems or acquires (by way of surrender or otherwise) shall be canceled immediately or held as treasury shares ("Treasury Shares") at the discretion of the Directors.
- 3.13** No Dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up of the Company) may be made to the Company in respect of a Treasury Share.
- 3.14** The Company shall be entered in the Register of Members as the holder of the Treasury Shares provided that:

- (a) the Company shall not be treated as a shareholder for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
 - (b) a Treasury Share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of these Articles or the law.
- 3.15** Any proposal to transfer the Treasury Shares to the employees of the Company and its Subsidiaries at a price below the average actual repurchase price must be approved by Special Resolution in the next general meeting and the items required by the Applicable Public Company Rules shall be specified in the notice of the general meeting and may not be proposed as an extemporary motion. The aggregate number of Treasury Shares resolved at all general meetings and transferred to the employees of the Company and its Subsidiaries shall not exceed 5% of the total issued shares, and each employee may not subscribe for more than 0.5% of the total issued shares in aggregate. The Company may prohibit such employees from transferring such Treasury Shares within a certain period; provided, however, that such a period cannot be more than two years.
- 3.16** Subject to Article 3.15, Treasury Shares may be disposed of by the Company on such terms and conditions as determined by the Directors.

4. Rights Attaching to Shares

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

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

5. Share Certificates

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

from the date such share certificates may be issued pursuant to the law, the Memorandum, the Articles, and the Applicable Public Company Rules, and shall make a public announcement prior to the delivery of such share certificates pursuant to the Applicable Public Company Rules.

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

6. Preferred Shares

- 6.1** Notwithstanding any provisions of these Articles, the Company may by Special Resolution designate one or more classes of shares with preferred or other special rights as the Company, by Special Resolution, may determine (shares with such preferred or other special rights, the "Preferred Shares"), and cause to be set forth in these Articles.
- 6.2** The rights and obligations of Preferred Shares may include (but not limited to) the following terms and shall be consistent with the Applicable Public Company Rules:
- (a) the order of priority and fixed amount or fixed ratio of allocation of Dividends and bonus on Preferred Shares;
 - (b) the order of priority and fixed amount or fixed ratio of allocation of surplus assets of the Company;
 - (c) the order of priority for or restriction on the voting right(s) (including declaring no voting rights whatsoever) of the Members holding the Preferred Shares;
 - (d) the method by which the Company is authorized or compelled to redeem the Preferred Shares, or a statement that redemption rights shall not apply; and
 - (e) other matters concerning rights and obligations incidental to Preferred Shares.

REGISTRATION OF SHARES

7. Register of Members

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

8. Registered Holder is the Absolute Owner

Except as required by law:

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

9. Transfer of Registered Shares

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

- 9.2 All transfers of shares which are in certificated form may be effected by an instrument of transfer in writing in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and, if the Board so requires, by or on behalf of the transferee. Without prejudice to the foregoing, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers.
- 9.3 The Board may refuse to recognize any instrument of transfer with respect to shares in certificated form unless it is accompanied by the certificate with respect to the related shares and other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
- 9.4 The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 9.5 The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share in certificated form in the event such registration of transfer would (i) violate applicable laws or (ii) conflict with the Memorandum or these Articles. If the Board refuses to register a transfer of any share, the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

10. Transmission of Registered Shares

- 10.1 In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognized by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of Section 39 of the law, for the purpose of this Article, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorized to deal with the shares of a deceased Member.
- 10.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favor of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member

[-] (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s), and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assignees, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee

does hereby agree to take the said share(s) subject to the same conditions.

DATED this [] day of [], 201[]

Transferor : _____

Witness: _____

Transferee: _____

Witness: _____

- 10.3** On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration or refuse registration as stipulated in Article 9.5 as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.
- 10.4** Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognize no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

ALTERATION OF SHARE CAPITAL

11. Power to Alter Capital

- 11.1** Subject to the law, the Company may from time to time by Ordinary Resolution to increase its authorized share capital by such amount as it thinks expedient.
- 11.2** Subject to the law, the Company may from time to time by Ordinary Resolution alter the conditions of its Memorandum of Association to:
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares in such manner as permitted by Applicable Law; and
 - (b) cancel shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so canceled in such manner as permitted by Applicable Law.
- 11.3** Subject to the law and the Articles, the Company may from time to time by Special Resolution:
- (a) change its name;
 - (b) alter or add to the Articles;
 - (c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein; or
 - (d) reduce its share capital and any capital redemption reserve fund.
- 11.4** Subject to the law, Article 11.5 and Article 11.6, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution, provided that if the Applicable Public Company Rules permit the Company to only require the approval of the Board or of the Members by an Ordinary Resolution for the following actions, the Company is not required to obtain the approval of the Members by a Supermajority Resolution:
- (a) effecting any capitalization of distributable Dividends and/or bonuses and/or any other amount prescribed under Article 16 hereof;

- (b) effecting any Merger (except for any Merger which falls within the definition of "merger" and/or "consolidation" under the law, which requires the approval of the Company by Special Resolution only), Share Swap or Spin-off of the Company;
 - (c) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
 - (d) the transferring of the whole or any essential part of the business or assets of the Company; or
 - (e) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation.
- 11.5** Subject to the law, the Company may be dissolved voluntarily through the following resolutions:
- (a) if the Company resolves by Ordinary Resolution that it be wound up voluntarily because the Company is unable to pay its debts as they fall due; or
 - (b) if the Company resolves by Special Resolution that it be wound up voluntarily for reasons other than set out in Article 11.5(a) above.
- 11.6** For as long as the shares are listed on the TWSE, if the Company proposes to undertake:
- (a) a merger or consolidation which will result in the Company being dissolved;
 - (b) a sale, transfer or assignment of all of the Company's businesses and assets;
 - (c) a Share Swap; or
 - (d) a Spin-off,
- which would result in the termination of the Company's listing on the TWSE, and where (in the case of (a) above) the surviving entity, (in the case of (b) above) the transferee, (in the case of (c) above) the entity whose shares has been allotted or who pays cash or uses its assets as the consideration in exchange for the Company's shares and, (in the case of (d) above) the existing or newly incorporated spun-off company is not a listed company on the TWSE or Taipei Exchange, then in addition to any requirements to be satisfied under the law, such action shall be first approved at a general meeting by a resolution passed by Members holding two-thirds or more of the votes of the total number of issued shares of the Company.
- 11.7** Subject to the law, the Company may, by Special Resolution, issue securities by way of Private Placement within the territory of the ROC in accordance with Applicable Public Company Rules. However, for the issuance of common corporate bonds by way of Private Placement within the territory of the ROC, the Company may do so by resolution of the Board in accordance with the Applicable Public Company Rules.

12. Variation of Rights Attaching to Shares

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

issuance of further shares ranking *pari passu* therewith. To any such meeting all the provisions of the Articles relating to general meetings shall apply *mutatis mutandis*.

DIVIDENDS AND CAPITALIZATION

13. Dividends

- 13.1** The Board may declare a Dividend to be paid to the Members in proportion to the number of shares held by them, and such Dividend may be paid in cash, shares or, subject to Article 13.2, wholly or partly in specie. No unpaid Dividend shall bear interest as against the Company.
- 13.2** Subject to the provisions of Article 13.1 hereof and approval by Members by way of Ordinary Resolution, the Directors may determine that a Dividend shall be paid wholly or partly by the distribution of specific assets (which may consist of the shares or securities of any other company) and may settle all questions concerning such distribution. However, before the Board of Directors can ascertain the value of the specific asset, the Board of Directors should obtain the consent of the Members for the proposed receipt of specific assets and an accountant's valuation report based on the value of the specific asset. The Directors may make cash payments to some Members on the footing of the value so fixed in order to adjust the rights of Members. Without limiting the foregoing generality, the Directors may vest any such specific assets in trustees on such terms as the Directors think fit and may issue fractional shares.
- 13.3** Subject to the Applicable Law, no Dividends or other distribution shall be paid except out of profits of the Company, realized or unrealized, out of share premium account or any reserve, fund or account as otherwise permitted by the law. All dividends and other allocations shall be calculated based on Members' shareholding ratios unless otherwise stated in the rights attached to shares. If the conditions for the issuance of shares requires the calculation of dividends to start from a specific date, the dividends for such shares shall be calculated accordingly.
- 13.4** With respect to the Dividend to be distributed at the end of each financial year, subject to the law and this Article and except as otherwise provided by the rights attached to any shares, the Company may distribute profits after each financial year in accordance with a proposal for profits distribution approved by, in the case of Dividend to be paid in cash, a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors or, in the case of Article 11.4(a), Supermajority Resolution in the annual meeting. After the Board approves the distribution of Dividend in cash, the Board shall report such distribution in the next annual general meeting.
- 13.5** Upon the final settlement of the Company's accounts, if there is "surplus profit" (as defined below), the Company shall set aside zero point five per cent (0.5%) to twenty per cent (20%) as compensation to employees ("Employees' Compensations") and Employees' Compensations may be distributed to employees of the Company and its Subsidiaries, who meet certain qualifications. The Company may set aside no more than half percent (0.5%) of the aforementioned profit in the current year as remuneration for directors. The distribution proposals in respect of Employees' Compensation and Directors' Remuneration shall be approved by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors and submitted to the general meeting for report. However, if the Company has accumulated losses, the Company shall reserve an amount thereof for making up the losses before proceeding with the above-mentioned distributions and allocation. The "surplus profit" referred to above means the net profit before tax and for the

avoidance of doubt, such amount is before any payment of compensation to employees and remuneration for the Directors.

- 13.6** In determining the Company's dividend policy, the Board recognizes that the Company operates in a mature industry, and has stable profit streams and a sound financial structure. Regarding the proposals for Members to approve dividends or other allocations (if any) in each fiscal year, the Board of Directors may:
- (a) take into consideration the earnings of the Company, overall development, financial planning, capital needs, industry outlook and future prospects of the Company in the relevant financial year, so as to ensure the protection of Members' rights and interests; and
 - (b) The Company shall allocate dividends from the Company's surplus in each fiscal year for: (i) preparatory fund for payment of taxes during the related fiscal year, (ii) amount to make up for past losses, (iii) ten per cent (10%) as a general reserve (unless the general reserve reserved in the past years has reached the total paid-up capital of the Company), and (iv) a special surplus reserve as required by the applicable securities authority under the Applicable Public Company Rules or a reserve as determined by the Board pursuant to Article 14.1.
- 13.7** Subject to compliance with the law and after setting aside the amounts for Employees' Compensations and Directors' Remuneration in accordance with Article 13.5 and such amounts as the Board deems fit in accordance with the distribution policy set out in Article 13.6, the Board shall recommend to distribute no less than ten percent (10%) of the distributable amount as Dividend to the Members.
- 13.8** The Board of Directors may decide to use cash, the undistributed shares paid for with the cash amount, or both for the distribution of dividends for Members and compensation for employees. The cash dividends distributed to Members shall be no less than fifty percent (50%) of the total dividends. No unpaid Dividend and compensation shall bear interest as against the Company.
- 13.9** The Board shall fix any date as the record date for determining the Members entitled to receive any Dividend or other distribution.
- 13.10** For the purpose of determining Members entitled to receive payment of any Dividend or other distributions, the Directors may provide that the Register of Members be closed for transfers for five (5) days before the relevant record date or such other period consistent with the Applicable Public Company Rules subject to compliance with the law.

14. Capital Reserve and Power to Set Aside Profits

- 14.1** The Board may, before declaring a Dividend, set aside out of the surplus or profits of the Company, such sum as it thinks proper as a reserve to be used to meet contingencies or for meeting the deficiencies for implementing Dividend distribution plans or for any other purpose to which those funds may be properly applied. Pending application, such sums may be in the absolute discretion of the Directors either be employed in the business of the Company or invested in such investment as Directors may from time to time think fit, and need not be kept separate from other assets of the Company. The Directors may also, without placing the same to reserve, carry forward any profit which they decide not to distribute.
- 14.2** Subject to any direction from the Company in general meeting, the Directors may on behalf of the Company exercise all the powers and options conferred on the Company by the law in regard to the Capital Reserve. Subject to compliance with the law, the Directors may on behalf of the Company set off accumulated losses against credits standing in the Capital Reserve and make distributions out of the Capital Reserve.

15. Method of Payment

- 15.1** Any Dividend, interest, or other monies payable in cash in respect of the shares may be paid by wire transfer to the Member's designated account or by check or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct.
- 15.2** In the case of joint holders of shares, any Dividend, interest or other monies payable in cash in respect of shares may be paid by check or draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the holder may in writing direct. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any Dividend paid in respect of such shares.

16. Capitalization

Subject to the law and Article 11.4(a), the Board may capitalize any sum for the time being standing to the credit of the Capital Reserve or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.

MEETINGS OF MEMBERS

17. Annual General Meetings

- 17.1** The Company shall hold a general meeting as its annual general meeting within six months following the end of each fiscal year. The Board shall call all annual general meetings.
- 17.2** The general meetings (including annual general meetings and extraordinary general meetings) shall be held at such time and place as the Chairman or any two Directors or any Director and the Secretary or the Board shall appoint provided that unless otherwise provided by the Law, the physical general meetings shall be held in the ROC. If the Board resolves to hold a physical general meeting outside the ROC, the Company shall apply for the approval of the TWSE thereof within two days after the Board adopts such resolution. Where a general meeting is to be held outside the ROC, the Company shall engage a professional stock affairs agent in the ROC to handle the administration of such general meeting (including but not limited to the handling of the voting of proxies submitted by Members).
- 17.3** The general meeting may be convened through video conferencing or other methods announced by the competent authority of the ROC. The conditions, operating procedures and other matters to be observed when holding a general meeting by video conference during the period when the shares are listed in the emerging stock market or listed on the TPEx or TWSE of the ROC shall abide by the Public Company Rules.
- 17.4** Members may participate in the general meeting by means of video conference or other communication facilities, as permitted by the applicable Law, where all persons participating in the meeting may communicate with each other simultaneously and instantaneously, and participation in such way shall constitute presence in person at such meeting.

18. Extraordinary General Meetings

- 18.1** General meetings other than annual general meetings shall be called extraordinary general meetings.

- 18.2** The Board may convene an extraordinary general meeting of the Company whenever in their judgment such a meeting is necessary or is desirable, and the Board shall on a Member's requisition as defined in Article 18.3 forthwith proceed to convene an extraordinary general meeting of the Company.
- 18.3** A Member's requisition set forth in Article 18.2 is a requisition of one or more Members of the Company holding in the aggregate at the date of deposit of the requisition not less than three per cent (3%) of the total number of issued shares of the Company which as at that date have been held by such Member(s) for at least one year.
- 18.4** The Member's requisition must state in writing the matters to be discussed at the extraordinary general meeting and the reason therefor and must be signed by the requisitionists and deposited at the Registered Office and the Company's stock affairs agent located in the ROC, and may consist of several documents in like form each signed by one or more requisitionists.
- 18.5** If the Board does not within fifteen (15) days from the date of the deposit of the Member's requisition dispatch the notice of an extraordinary general meeting, the requisitionists may themselves convene an extraordinary general meeting, provided that if the extraordinary general meeting will be held outside the ROC, an application shall be submitted by such requisitionists to the TWSE for its prior approval.
- 18.6** Any one or more Member(s) may summon an extraordinary general meeting, provided that such Member or Members shall hold more than fifty per cent (50%) of the total issued Shares of the Company for a continuous period of no less than three (3) months. The number of the Shares held by a Member and the period during which a Member holds such Shares, shall be calculated and determined based on the Register of Members as of the first day of the period that the Register of Members shall be closed for transfers.

19. Notice

- 19.1** At least thirty days' notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of business to be conducted at the meeting.
- 19.2** At least fifteen days' notice of an extraordinary general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of the business to be considered at the meeting.
- 19.3** The Board shall fix a record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company in accordance with Applicable Public Company Rules and close its Register of Members accordingly in accordance with Applicable Public Company Rules.
- 19.4** Subject to Article 22.4, the accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 19.5** For so long as the shares are listed on the TWSE, the Company shall announce to the public the notice of a general meeting, the proxy instrument, agendas and materials relating to the matters to be approved and discussed in the general meetings, including but not limited to, election or dismissal of Directors, in accordance with Articles 19.1 and 19.2 hereof, and shall transmit the same via the Market Observation Post System in accordance with the Public Company Rules; If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document for the Member to exercise the voting power together with

the above mentioned materials to the Member. The Directors shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be sent to or made available to all Members and shall be transmitted to the Market Observation Post System in a manner consistent with the Public Company Rules twenty-one (21) days prior to the general meetings or, in the case of extraordinary general meetings, fifteen (15) days prior to such meeting. However, when the Company's paid-in capital at the end of the most recent fiscal year is NT\$10 billion or more, or the Company holds a general meeting in the most recent fiscal year, and the total shareholding ratio of foreign and China capital recorded in the Member register is more than 30%, the transmission of the aforementioned electronic files shall be completed 30 days before the general meeting.

19.6 The following matters shall be stated in the notice of a general meeting, with a summary of the major content to be discussed, and shall not be proposed as an extemporary motion:

- (a) election or discharge of Directors,
- (b) alteration of the Memorandum or Articles,
- (c) capital deduction,
- (d) application to terminate the public offering of the Companies shares;
- (e) (i) dissolution, Merger, Share Swap or Spin-off, (ii) entering into, amending, or terminating any Lease Contract, Management Contract or Joint Operation Contract, (iii) transfer of the whole or any essential part of the business or assets of the Company, and (iv) acquisition or assumption of the whole of the business or assets of another person, which has a material effect on the operations of the Company,
- (f) ratification of an action by Director(s) who engage(s) in business for himself or on behalf of another person that is within the scope of the Company's business,
- (g) distribution of the whole or part of the surplus profit of the Company in the form of new shares, capitalization of Capital Reserve and any other amount in accordance with Article 16 or distributions of cash out of the general reserve accumulated in accordance with Article 13.5 (b) or Capital Reserve to its Members, and
- (h) Private Placement of any equity-related securities to be issued by the Company.

The major content of the above matters can be announced at the website designated by Taiwan securities authority or by the Company, and the Company shall specify the link to the website in the notice of the relevant general meeting.

19.7 The Board shall keep the Memorandum and Articles, minutes of general meetings, financial statements, the Register of Members, and the counterfoil of any corporate bonds issued by the Company at the Registered Office (if applicable) and the Company's stock affairs agent located in the ROC Members may request, from time to time, by submitting document(s) evidencing his interests involved and indicating the designated scope of the inspection, access to inspect, review or make copies of the foregoing documents. If the relevant documents are kept by the Company's stock affairs agent, upon the request of such Member, the Company shall order the Company's stock affairs agent to provide such Member with the requested documents.

19.8 The Company shall make available all the statements and records prepared by the Board and the report prepared by the Audit Committee which will be submitted to the Members at the annual general meeting at the Registered Office (if applicable) and its

stock affairs agent located in the ROC. ten (10) days prior to such annual general meeting in accordance with Applicable Public Company Rules. Members may inspect and review the foregoing documents from time to time and may be accompanied by their lawyers or certified public accountants for the purpose of such inspection and review.

- 19.9** If the general meeting is convened by the Board and other person entitled to convene a general meeting in accordance with these Articles or any Applicable Law, the Board and such person may request the Company or the Company's stock affairs agent to provide the Register of Members.

20. Giving Notice

- 20.1** Any Notice or document, whether or not to be given or issued under these Articles from the Company to a Member, shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication, and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register of Members or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the Notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or to the extent permitted by Applicable Law, may also be served by advertisement in appropriate newspapers. 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 and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

20.2 Any Notice or other document:

- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service, or delivery, it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent;
- (c) if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant dispatch or transmission; and in proving such service or delivery a certificate in writing signed by the secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, dispatch or transmission shall be conclusive evidence thereof; and
- (d) may be given to a Member either in the English language or the Chinese language, subject to due compliance with all Applicable Law, rules and regulations.

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

21. Postponement of General Meeting

The Board may postpone any general meeting called in accordance with the provisions of these Articles provided that notice of postponement is given to each Member before the time for such meeting. A notice stating the date, time and place for the postponed meeting shall be given to each Member in accordance with the provisions of these Articles.

22. Quorum and Proceedings at General Meetings

22.1 No resolutions shall be adopted unless a quorum is present. Unless otherwise provided for in the Articles, Members present in person or by proxy or in the case of a corporate Member, by corporate representative, representing more than one-half of the total issued shares of the Company entitled to vote, shall constitute a quorum for any general meeting.

22.2 The Board shall submit business reports, financial statements and proposals for distribution of profits or allocation of losses prepared by it for the purposes of annual general meetings of the Company for ratification by the Members in a manner consistent with the Applicable Public Company Rules. After ratification by the Members at the general meeting, the Board shall distribute copies of or announce to the public the ratified financial statements and the Company's resolutions on distribution of profits or allocation of losses, to each Member or otherwise make the same available to the Members in accordance with the Applicable Public Company Rules.

22.3 Unless otherwise provided in the Articles, a resolution put to the vote of the meeting shall be decided by voting, provided that the resolution shall be deemed unanimously adopted and have the same effect as a resolution received on a poll after the chairman of the meeting inquires all attending Members' opinion and receives no objections thereto. No resolution put to the vote at the meeting shall be decided by a show of hands.

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

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

22.6 Member(s) holding one per cent (1%) or more of the Company's total issued shares immediately prior to the relevant book close period, during which the Company closed its Register of Members, may propose to the Company in writing or any electronic means designated by the Company one matter for discussion at an annual general meeting. The Board shall include the proposal in the agenda of the annual general meeting unless (a) the proposing Member does not hold at least 1% of the Company's total issued shares; (b) the proposal is not a resolution of the general meeting or the text of the motion exceeds 300 Chinese characters; (c) the proposing Member(s) has proposed more than one proposal; or (d) the proposal is submitted to the Company outside the period prescribed and announced by the Company for accepting Member(s)' proposal(s). If the purpose of the proposal is to urge the Company to promote public

interests or fulfill its social responsibilities, the Board may accept such proposal to be discussed in general meeting.

23. Chairman to Preside

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the Chairman, shall act as Chairman at all meetings of the Members at which such person is present. In their absence, a Chairman shall be appointed or elected in accordance with the Applicable Public Company Rules.

24. Voting on Resolutions

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

24.2 No person shall be entitled to vote at any general meeting or at any separate meeting of the holders of a class of shares unless he is registered as a Member on the record date for such meeting.

24.3 Votes may be cast either in person or by proxy. A Member may appoint another person as their proxy by specifying the scope of appointment in the proxy instrument prepared by the Company to attend and vote at a general meeting, provided that the Member appoints only one proxy under one instrument to attend and vote at such meeting.

24.4 The Company shall allow the Members to exercise voting rights by electronic means. The method for exercising such voting power shall be described in the general meeting notice to be given to the Members if the voting power may be exercised by way of a written ballot or electronic transmission. Any Member who intends to exercise the voting power by way of a written ballot or by way of electronic transmission shall serve the Company with the voting decision at least two (2) days prior to the date of such general meeting. Where more than one voting decision are received from the same Member by the Company, the first voting decision shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous voting decision in the later-received voting decision. A Member who exercises the voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as proxy to vote such Member's shares at the general meeting only in the manner directed in the written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, Members voting in such manner shall be deemed to have waived their voting rights with respect to any extempore motions or amendments to resolution(s) proposed at such general meeting.

24.5 In the event any Member who intended to exercise his voting power by way of a written ballot or electronic transmission and has served his voting decision on the Company pursuant to Article 24.4 hereof later intends to attend the general meetings in person, he shall, at least two (2) days prior to the date of such general meeting, serve the Company with a separate notice revoking his previous voting decision. Such separate

notice shall be sent to the Company in the same manner (e.g., by courier, registered mail or electronic transmission, as applicable) as the previous voting decision under Article 24.4 was given to the Company. Votes by way of a written ballot or electronic transmission shall remain valid if the relevant Member fails to revoke his voting decision before the prescribed time.

- 24.6** A Member who has served the Company with his voting decision in accordance with Article 24.4 for the purpose of exercising his voting power by way of a written ballot or by way of electronic transmission may appoint a person as his proxy to attend the meeting in accordance with these Articles, in which case the vote cast by such proxy shall be deemed to have revoked his previous voting decision served on the Company and the Company shall only count the vote(s) cast by such expressly appointed proxy at the meeting.

25. Proxies

- 25.1** The instrument of proxy shall be in the form approved by the Board from time to time and be expressed to be for a particular meeting only. The form of proxy shall include at least the following information: (a) instructions on how to complete such proxy, (b) the matters to be voted upon pursuant to such proxy, and (c) basic identification information relating to the relevant Member, proxy and the solicitor (if any). The form of proxy shall be provided to the Members together with the relevant notice for the relevant general meeting, and such notice and proxy materials shall be distributed to all Members on the same day.
- 25.2** An instrument of proxy shall be in writing, be executed under the hand of the appointer or his attorney duly authorized in writing, or, if the appointer is a corporation or other non-natural person, under the hand of an officer or attorney duly authorized for that purpose. A proxy need not be a Member of the Company.
- 25.3** Subject to the Applicable Public Company Rules, except for an ROC trust enterprise or stock affair agents approved pursuant to Applicable Public Company Rules, save with respect to the Chairman being deemed appointed as proxy under Article 24.4, in the event a person acts as the proxy for two or more Members, the total number of issued and voting shares entitled to be voted as represented by such proxy shall be no more than three per cent (3%) of the total number of issued and voting shares of the Company immediately prior to the relevant book closed period, during which the Company close its register of Members. Votes exceeding 3% of the voting rights will not be counted.
- 25.4** In the event that a Member exercises his voting power by way of a written ballot or electronic transmission and has also authorized a proxy to attend a general meeting, then the voting power exercised by the proxy at the general meeting shall prevail. After a proxy form has been delivered to the Company, if the Member intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- 25.5** The instrument of proxy shall be deposited at the Registered Office or the office of the Company's stock affairs agent in the ROC or at such other place as is specified for that purpose in the notice convening the meeting, or in any instrument of proxy sent out by the Company not less than five (5) days before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, save with respect to the Chairman being deemed appointed as proxy under Article 24.4. Where more than one instrument to vote is received from the same Member by the

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

26. Proxy Solicitation

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

27. Dissenting Member's Appraisal Right

27.1 Subject to compliance with the law, in the event any of the following resolutions is passed at general meetings, any Member who has expressed his objection, in writing or verbally (with a record to that effect in the minutes of the meeting) and voted against or waived his voting right, before or during the meeting, may request the Company to purchase all of his shares at the then prevailing fair price:

- (a) the Company proposes to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
- (b) the Company transfers the whole or an essential part of its business or assets, provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company;
- (c) the Company acquires or assumes the whole business or assets of another person, which has a material effect on the operation of the Company;
- (d) the Company proposes to undertake a Spin-off, Merger or Share Swap; or
- (e) the Company generally assumes all the assets and liabilities of another person or generally assigns all its assets and liabilities to another person.

According to Article 27.1 of the Articles, the number of shares abstaining from voting shall not be counted in the voting rights of Members in attendance in the general meeting but shall be counted towards the quorum of the general meeting.

27.2 Without prejudice to the law, any Member exercising their rights in accordance with Article 27.1 (the "**Dissenting Member**") shall, within twenty (20) days from the date of the resolution passed at the general meeting, give his written notice of objection stating the repurchase price proposed by him. If the Company and the Dissenting Member agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall make the payment within ninety (90) days from the date of the resolution passed at the general meeting. If, within ninety (90) days from the date of the resolution passed at the general meeting, the Company and any Dissenting Member fail to agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall pay the fair price it deems fit to such Dissenting Member within ninety (90) days from the date of the resolution passed at the general meeting. If the Company fails to pay the fair price it deems fit to such Dissenting Member within the ninety-day period, the Company shall be deemed to agree on the repurchase price proposed by such Dissenting Member.

27.3 Without prejudice to the law, if, within sixty (60) days from the date of the resolution passed at the general meeting, the Company and any Dissenting Member fail to agree on a price at which the Company will purchase such Dissenting Member's Shares, then, within thirty (30) days immediately following the date of the expiry of such sixty-day period, the Company shall file a petition with the court against all the Dissenting Members which have not agreed at the purchase price by the Company for a

determination of the fair price of all the Shares held by such Dissenting Members. The Taiwan Taipei District Court, ROC, may be the court of the first instance for this matter.

- 27.4** Notwithstanding the above provisions under this Article 27, nothing under this Article shall restrict or prohibit a Member from exercising his right under section 238 of the law to payment of the fair value of his shares upon dissenting from a merger or consolidation.

28. Shares that May Not be Voted

28.1 Shares held:

- (a) by the Company itself;
- (b) by any entity in which the Company owns, legally or beneficially, more than fifty per cent (50%) of its total issued and voting share or share capital; or
- (c) by any entity in which the Company, together with (i) the holding company of the Company and/or (ii) any Subsidiary of (a) the holding company of the Company or (b) the Company owns, legally or beneficially, directly or indirectly, more than fifty per cent (50%) of its issued and voting share or share capital; shall not carry any voting rights nor be counted in the total number of issued shares at any given time.

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

- 28.3** If the number of shares pledged by a Director at any time amounts to more than fifty per cent (50%) of the total shares held by such Director at the time of his latest appointment, such pledged shares exceeding fifty per cent (50%) of the total shares held by such Director at the time of his latest appointment, shall not carry any voting rights and such above-threshold shares shall not be counted in determining the number of votes of the Members present at a general meeting but shall be counted towards the quorum of the general meeting.

29. Voting by Joint Holders of Shares

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

30. Representation of Corporate Member

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

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

31. Adjournment of General Meeting

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

32. Directors Attendance at General Meetings

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

DIRECTORS AND OFFICERS

33. Number and Term of Office of Directors

33.1 The Board of Directors shall consist of no less than five (5) and no more than nine (9) persons, and more than half of them shall have household registration in the Republic of China. The term of office for each Director shall not exceed a period of three (3) years. Directors may be eligible for re-election. The Company may from time to time by Special Resolution increase or reduce the number of Directors, subject to the applicable laws and the foregoing range of number of directors.

33.2 Unless otherwise approved by the TWSE, the number of Directors having a spousal relationship or familial relationship within the second degree of kinship with any other Directors shall be less than half of the total number of Directors.

33.3 In the event that the Company convenes a general meeting for the election of Directors and any of the Directors elected does not meet the requirements provided in Article 33.2 hereof, the non-qualifying Director(s) who was elected with the fewest number of votes shall be deemed not to have been elected, to the extent necessary to meet the requirements provided for in Article 33.2 hereof. Any person who has already served as a Director but is in violation of the aforementioned requirements shall be automatically discharged from his office effective from such violation.

33.4 Unless otherwise permitted under the Applicable Public Company Rules, there shall be at least three (3) Independent Directors. To the extent required by the Applicable Public Company Rules, at least two (2) of the Independent Directors shall be domiciled in the ROC and at least one of them shall have accounting or financial expertise.

33.5 The Directors (including Independent Directors and non-independent Directors) shall be nominated by adopting the candidate nomination system specified in the Applicable Public Company Rules.

33.6 Independent Directors shall have professional knowledge and shall maintain independence within the scope of their directorial duties, and shall not have any direct or indirect interests in the Company. The professional qualifications, restrictions on shareholdings and concurrent positions, and assessment of independence with respect to Independent Directors shall be consistent with the Applicable Public Company Rules.

33.7 Unless provided otherwise in these Articles, the qualifications, composition, appointment, removal, exercise of power in performing duties and other matters with

respect to the Directors, Independent Directors, Remuneration Committee and Audit Committee, shall comply with the provisions under ROC Securities and Exchange Act and the regulations issued pursuant to the ROC Securities and Exchange Act applicable to the Company.

34. Election of Directors

- 34.1** The Company may at a general meeting elect any person to be a Director, which vote shall be calculated in accordance with Article 34.2 below. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to elect one or more Directors.
- 34.2** The election of Independent Directors and non-independent Directors shall be held together and the Director(s) shall be elected by Members upon a poll vote by way of cumulative voting (the manner of voting described in this Article to be referred to as "Cumulative Voting") in the following manner:
- (i) the numbers of votes attached to each voting share held by a Member shall be cumulative and correspond to the number of Directors (including the Independent Directors and non-independent Directors) nominated for appointment at the general meeting;
 - (ii) the Member(s) may vote all or part of their cumulated votes in respect of one or more Independent Director or non-independent Director candidates;
 - (iii) such number of Director candidates receiving the highest number of votes in the same category of Directors to be elected shall be appointed; and
 - (iv) where two or more Director candidates receive the same number of votes and as a result the total number of new Directors intended to be appointed is exceeded, there shall be a draw by such Director candidates receiving the same number of votes to determine who shall be appointed. The chairman of the meeting shall draw for a Director nominated for appointment who is not present at the general meeting.
- 34.3** If the number of Independent Directors is less than three (3) persons due to the resignation or removal of such Independent Directors for any reason, the Company shall hold an election of Independent Directors at the next following general meeting. If all of the Independent Directors are resigned or removed, the Board shall hold, within sixty (60) days from the date of resignation or removal of last Independent Director, a general meeting to elect succeeding Independent Directors to fill the vacancies.
- 34.4** If directors are dismissed with reason and less than 5 directors remain, the company shall hold a by-election at the next general meeting. When the number of vacancies in the Board of the Company equals to one third of the total number of Directors elected, the Board shall hold, within sixty (60) days from the date of the occurrence of vacancies, a general meeting to elect succeeding Directors to fill the vacancies.
- 34.5** Any corporation (or other legal entity) which is a Member shall be entitled to appoint such person or persons as its representative to be elected as a Director (the "Appointed Representative"). The election of an Appointed Representative as a Director is subject to the approval of Members in accordance with the provisions of this Article 34.
- 34.6** Where the Appointed Representative has been elected as a Director of the Company, the corporation (or other legal entity) which is a Member which has appointed the Appointed Representative to be elected as a Director, may at any time, serve notice on the Company giving notice to replace the Appointed Representative with another person. Such replacement of the Appointed Representative as a Director (the "Replacement") shall take effect from the date specified in the notice or in the absence

of such date, from the date on which the notice was served on the Company, and will not require any Members' approval. Accordingly, Articles 34.1, 34.2 and 34.5 do not apply in respect of the Replacement.

35. Removal of Directors

35.1 The Company may from time to time by Supermajority Resolution remove any Director from office, whether or not appointing another in his stead. Prior to the expiration of the term of office of the current Directors, the Members may at a general meeting re-elect all Directors, whose vote shall be calculated in accordance with Article 34.2 above. If no resolution is passed to approve that the existing Director(s) who is/are not re-elected at the general meeting shall remain in office until expiry of his/her original term of office, such non-re-elected Directors shall vacate their office with effect from the date the other Directors elected or re-elected at the same general meeting commence their office. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to re-elect all Directors. If the term of office of all Directors expires at the same time and no general meeting was held before such expiry for re-election, their term of office shall continue and be extended to such time when new Directors are elected or re-elected in the next general meeting and they commence their office.

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

36. Vacation in the Office of Director

36.1 The office of Director shall be vacated if the Director:

- (a) is removed from office pursuant to these Articles;
- (b) is an Appointed Representative and the corporation (or other legal entity) which appointed such Appointed Representative, serves notice on the Company giving notice to remove such Appointed Representative from the office of Director, such removal shall take effect from the date specified in the notice or in the absence of such date, from the date on which the notice was served on the Company;
- (c) dies;
- (d) has been adjudicated bankrupt or the court has declared a liquidation process in connection with such Director, and such Director has not been reinstated to his rights and privileges;
- (e) is automatically discharged from his office in accordance with Article 33.3;
- (f) resigns his office by notice in writing to the Company;
- (g) an order is made by any competent court or official on the grounds that he has no legal capacity, or his legal capacity is restricted according to Applicable Law;
- (h) has been adjudicated of the commencement of assistantship (as defined under the Taiwan Civil Code) or similar declaration and such assistantship/declaration has not been revoked yet;

- (i) has committed an offense as specified in the Organized Crime Prevention Act of ROC. and subsequently has been adjudicated guilty by a final judgment, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than five years, or (D) was pardoned for less than five years;
- (j) has committed an offense involving fraud, breach of trust or misappropriation and subsequently has been punished with imprisonment for a term of more than one year by a final judgment, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years;
- (k) has been adjudicated guilty by a final judgment for committing offenses under the Taiwan Anti-Corruption Act, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years;
- (l) having been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet;
- (m) is automatically removed in accordance with Article 36.2; or
- (n) ceases to be a Director in accordance with Article 36.3.

In the event that the foregoing events described in clauses (d), (g), (h), (i), (j), (k) or (l) has occurred in relation to a candidate for election of Director, such person shall be disqualified from being elected as a Director.

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

36.3 If any Director (other than an Independent Director) has, after having been elected and before his inauguration of the office of Director, transferred more than one half of the Company's shares being held by him at the time of his election as a Director, then he shall immediately cease to be a Director and no Members' approval shall be required. If any Director has, after having been elected as a Director, transferred more than one half of the Company's shares being held by him within the share transfer prohibition period prior to a general meeting according to the Applicable Public Company Rules, then he shall immediately cease to be a Director and no Members' approval shall be required.

37. Compensation of Director

37.1 The Board shall, in accordance with the Applicable Public Company Rules, establish a Remuneration Committee comprised of at least three members, one of whom shall be an Independent Director. The professional qualifications of the members of the Remuneration Committee, the responsibilities, powers and other related matters of the Remuneration Committee shall comply with the Applicable Public Company Rules. Upon the establishment of the Remuneration Committee, the Board shall, by a resolution, adopt a charter for the Remuneration Committee the provisions of which shall be consistent with the Applicable Public Company Rules.

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

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

38. Defect in Election of Director

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

39. Directors to Manage Business

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

40. Powers of the Board of Directors

Without limiting the generality of Article 39, the Board may subject to Article 11.4:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their compensation and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;
- (c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;
- (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorize any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney. Such attorney may, if so authorized, execute any deed or instrument in any manner permitted by the law;
- (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;

- (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board and every such committee shall conform to such directions as the Board shall impose on them. Subject to any directions or regulations made by the Directors for this purpose, the meetings and proceedings of any such committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Board;
- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board sees fit;
- (i) present any petition and make any application in connection with the liquidation or reorganization of the Company;
- (j) when issuing shares, pay such commission and brokerage as may be permitted by law; and
- (k) authorize any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any agreement, document or instrument on behalf of the Company.

41. Register of Directors and Officers

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

- (a) Name; and
- (b) address.

41.2 The Board of Directors shall, within 30 days after the occurrence of the following events, change the records in the list of directors and managers and the date of occurrence, and notify the company registration office in accordance with the law:

- (a) Any change among its Directors and Officers; or
- (b) any change in the particulars contained in the Register of Directors and Officers,

42. Officers

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

43. Appointment of Officers

The Secretary (and additional Officers, if any) shall be appointed by the Board from time to time.

44. Duties of Officers

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

45. Compensation of Officers

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

46. Conflicts of Interest

46.1 Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company and such Director or such Director's firm, partner or company shall be entitled to compensation as if such Director were not a Director; provided that this Article 46.1 shall not apply to Independent Directors.

46.2 A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by

the applicable law. If the Company proposes to enter into any transaction specified in Article 27.1 or effect other forms of mergers and acquisitions in accordance with the applicable law, a director who has a personal interest in such transaction shall declare the essential contents of such personal interest and the reason why he believes that the transaction is advisable or not advisable at the relevant meeting of the Directors and the general meeting as required by the applicable law. The Company should state the important information related to the interests of the directors and the reasons for and against such transaction in the general meeting notice. The above content and reasons can be announced at the website designated by Taiwan securities authority or by the Company, and the Company shall specify the link to the website in the notice of the relevant general meeting.

- 46.3** Notwithstanding anything to the contrary contained in this Article 46, a Director who has a personal interest in the matter under discussion at a meeting of the Directors, which may conflict with and impair the interest of the Company, shall not vote nor exercise voting rights on behalf of another Director; the voting right of such Director who cannot vote or exercise any voting right as prescribed above shall not be counted in the number of votes of Directors present at the board meeting. Where the spouse, the person related to a Director by blood and within the second degree, or any company which has a controlling or controlled relation with a Director has interests in the matters under discussion in the meeting of the Directors, such Director shall be deemed to have a personal interest in the matter. The terms "controlling" and "controlled" shall be interpreted in accordance with the Applicable Public Company Rules.
- 46.4** Notwithstanding anything to the contrary contained in this Article 46, a Director who is engaged in anything on his own account or on behalf of another person, which is within the scope of the Company's business, shall explain to the Members in a general meeting the essential contents of such conduct and seek their approval by Supermajority Resolution.
- 46.5** Notwithstanding anything to the contrary contained in this Article 46, a Director who has a personal interest in the matter under discussion at a meeting of the Directors shall declare the nature of and the essential contents of his interest at the relevant meeting of the Directors.

47. Indemnification and Exculpation of Directors and Officers

- 47.1** The Directors and Officers of the Company and any trustee for the time being acting in relation to any of the affairs of the Company and every former director, officer or trustee and their respective heirs, executors, administrators, and personal representatives (each of which persons being referred to in this Article as an "indemnified party") shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any money of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto. However, those caused by person responsible for the fraud, unethical behavior, or violation of Article 47.4 of the Articles shall be exempt.

47.2 The Company may purchase and maintain insurance for the benefit of any Director or Officer of the Company against any liability incurred by him in his capacity as a Director or Officer of the Company or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any Subsidiary thereof.

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

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

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

47.4 Without prejudice to the duties owed by a Director to the Company under common law of the Cayman Islands and subject to the law, a Director shall assume fiduciary duty to the Company and without limitation, shall exercise due care and skill in conducting the business operation of the Company. A Director shall be liable to the Company if he has acted contrary to the above. In case such action is made for himself or on behalf of another person in violation of the provisions above, the Company may, with the sanction of an Ordinary Resolution, demand the Director to disgorge any profit so realized by the Director as if such misconduct is done for the benefit of the Company. If a Director and/or an officer of the Company has, in the course of conducting the business operations, violated any provision of the applicable laws and/or regulations and thus caused damage to any other person, he shall be liable, jointly and severally with the Company, for the damage to such other person.

MEETINGS OF THE BOARD OF DIRECTORS

48. Board Meetings

Subject to the Applicable Public Company Rules, the Chairman may call a meeting of the Board and the Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. The Company shall hold, or cause to be held, regular meetings of the Board at least on a quarterly basis to review the Company's performance during the previous fiscal quarter and to decide on matters customarily requiring approval of the Board as stipulated herein. A resolution put to the vote at a meeting of the Board shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail.

49. Notice of Board Meetings

The Chairman may, and the Secretary on the requisition of the Chairman shall, at any time summon a meeting of the Board. To convene a meeting of the Board, a notice setting forth therein the matters to be considered and if appropriate, approved at the meeting shall be given to each Director no later than seven (7) days prior to the scheduled meeting date. However, in the case of emergency as agreed by a majority of the Directors, the meeting may be convened with a shorter notice period in a manner consistent with the Applicable Public Company Rules. Notice of a meeting of the Board shall be deemed to be duly given to a Director if, to the extent permitted by Applicable Law, it is given to such Director verbally (in person or by telephone) or otherwise communicated or sent to such Director by post, cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form at such Director's last known address or any other address given by such Director to the Company for this purpose.

50. Participation in Meetings by Video Conference

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

51. Quorum at Board Meetings

The quorum for a meeting of the Board shall be more than one-half of the total number of the Directors. Any of the Directors may appoint another Director to represent him at any meeting of the Board if such Director is unable to do so in person for any cause. If a Director appoints a proxy then for all purposes the presence or vote of the proxy shall be deemed to be that of the appointing Director. The appointed Director may only act as the proxy of one Director only.

52. Board to Continue in the Event of Vacancy

The Board may act notwithstanding any vacancy in its number.

Chairman to Preside Unless otherwise agreed by a majority of the Directors attending, the Chairman, if there be one, shall act as Chairman at all meetings of the Board at which such person is present. In his absence a Chairman shall be appointed or elected in accordance with the Applicable Public Company Rules.

54. Validity of Prior Acts of the Board

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

CORPORATE RECORDS

55. Minutes

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

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

56. Register of Mortgages and Charges

- 56.1** The Directors shall cause to be kept the Register of Mortgages and Charges required by the law.
- 56.2** The Register of Mortgages and Charges shall be open to inspection by Members and creditors in accordance with the law, at the Registered Office on every business day in the Cayman Islands, subject to such reasonable restrictions as the Board may impose. However, the time available for inspection should be no less than two (2) hours for every business day.

57. Form and Use of Seal

- 57.1** The Seal shall only be used with the authority of the Directors or of a committee of Directors authorized by the Directors; and, until otherwise determined by the Directors, the Seal shall be affixed in the presence of a Director or the Secretary or an assistant secretary or some other person authorized for this purpose by the Directors or the committee of Directors.
- 57.2** Notwithstanding the foregoing, the Seal may without further authority be affixed by way of authentication to any document required to be filed with the Registrar of Companies in the Cayman Islands, and may be so affixed by any Director, Secretary or assistant secretary of the Company or any other person or institution having authority to file the document as aforesaid.
- 57.3** Where permitted by law, the Company may have one or more duplicate Seals and, if the Directors think fit, a duplicate Seal may bear on its face the name of the country, territory, district or place where it is to be issued.

TENDER OFFER AND ACCOUNTS

58. Tender Offer

Within seven (7) days after the receipt of the copy of a tender offer application form and relevant documents by the Company or its litigious and non-litigious agent appointed by the Company pursuant to the Applicable Public Company Rules, the Board shall resolve to recommend to the Members whether to accept or object to the tender offer and make a public announcement of the following:

- (a) the types and number of the shares held by the Directors and the Members holding more than ten per cent (10%) of the total issued shares in their own names or in the names of other persons.
- (b) recommendations to the Members on the tender offer, which shall set forth the names of the Directors who abstain or object to the tender offer and the reason(s) therefor.
- (c) whether there is any material change in the financial condition of the Company after the submission of the latest financial report and an explanation of the change, if any.
- (d) the types, numbers and amount of the shares of the tender offer or its affiliates held by the Directors and the Members holding more than ten per cent (10%) of the total number of issued shares held in their own names or in the name of other persons.

59. Books of Account

- 59.1** The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;

- (b) all sales and purchases of goods by the Company; and
- (c) all assets and liabilities of the Company.

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

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

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

60. Financial Year End

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

AUDIT COMMITTEE

61. Number of Committee Members

The Board shall set up an Audit Committee. The Audit Committee shall comprise solely of Independent Directors and the number of committee Members shall not be less than three (3). One of the Audit Committee Members shall be appointed as the convener to convene meetings of the Audit Committee from time to time and at least one of the Audit Committee Members shall have accounting or financial expertise. A valid resolution of the Audit Committee requires approval of one-half or more of all its members.

62. Powers of Audit Committee

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

- (a) adoption of or amendment to an internal control system;
- (b) assessment of the effectiveness of the internal control system;
- (c) adoption of or amendment to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others;
- (d) any matter relating to the personal interest of the Directors;
- (e) a material asset or derivatives transaction;
- (f) a material monetary loan, endorsement, or provision of guarantee;
- (g) the offering, issuance, or Private Placement of any equity-related securities;

- (h) Appointment, dismissal, or remuneration for the certifying CPAs.
- (i) the appointment or discharge of a financial, accounting, or internal auditing officer;
- (j) approval of annual and semi-annual financial reports; and
- (k) any other matter so determined by the Company from time to time or required by any competent authority overseeing the Company.

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

- 62.2** Subject to compliance with the law, before the meeting of Directors resolves any matter specified in Article 27.1 or other mergers and acquisitions in accordance with the Applicable Law, the Audit Committee shall review the fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the meeting of Directors and the general meeting; provided, however, that such review results need not be submitted to the general meeting if the approval from the Members is not required under the applicable law. When the Audit Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share exchange ratio, cash consideration or other assets to be offered to the Members. The review results of the Audit Committee and the fairness opinion issued by the independent expert shall be distributed to the Members, along with the notice of the general meeting; provided, however, that the Company can only report matters relating to such merger and acquisition at the next general meeting if approval from the Members is not required under the applicable law. Such review results and fairness opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the FSC and made available to the Members for their inspection and review at the venue of the general meeting.

VOLUNTARY WINDING-UP AND DISSOLUTION

63. Winding-Up

- 63.1** The Company may be voluntarily wound-up in accordance with Article 11.5.
- 63.2** If the Company should be liquidated, the liquidator may, with the approval of a Special Resolution, divide amongst the Members the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with a special resolution, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator sees fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CHANGES TO CONSTITUTION

64. Changes to Articles

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

REDUCTION OF CAPITAL

65. Reduction of Capital

The Company may by Special Resolution reduce its share capital and any capital redemption reserve in any manner authorized by the law and the Applicable Public Company Rules. Any such reduction of share capital shall be effected based on the percentage of shareholding of the Members, unless otherwise provided for in the law or the Applicable Public Company Rules.

66. Discontinuance

The Board may exercise all the powers of the Company to transfer by way of continuation, the Company to a named country or jurisdiction outside the Cayman Islands pursuant to the law.

OTHER

67. Social responsibility

When the Company conducts the business, the Company shall 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.

Zhen Ding Technology Holding Limited
Rules and Procedures of Shareholders' Meeting

- Article 1 According to the basis
This policy was established in accordance with Article 5 of "Corporate Governance Best-Practice Principles for Listed Companies" to provide sound governance over the Company's shareholder meetings, and thereby enhancing the supervisory function of shareholders.
- Article 2 Scope of Review
The rules and procedures for the Company's Shareholders' Meetings, the content of the major issues, the operating procedures, and the minutes of the meeting, and the matters to be complied with shall be stated in the provisions of these Regulations.
- Article 3 Convening Shareholders' Meeting
- I. Unless otherwise provided by law or regulation, the Company's Shareholders' Meetings shall be convened by the Board of Directors. Changes to the method for convening the Shareholders' Meeting of the Company shall require a resolution of the Board of Directors, and the change must be implemented before the meeting notices are sent.
 - II. The Company shall prepare an electronic file that contains the meeting notice, a proxy form, a detailed description of various agenda items to be acknowledged or discussed during the meeting, and notes on re-election or dismissal of directors or supervisors and post it onto the Market Observation Post System (MOPS) at least 30 days before the annual meeting of shareholders, or 15 days before an extraordinary Shareholders' Meeting. The Company shall prepare electronic versions of the Shareholders' Meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the General Shareholders' Meeting or 15 days before the date of the special Shareholders' Meeting. However, in the case that this Company's has a paid-in capital reaching NT\$10 billion or more as of the last day of the most recent fiscal year, or in which the aggregate shareholding percentage of foreign investors and Mainland Chinese investors reached 30% or more as recorded in the shareholders' register at the time of holding of the General Shareholders' Meeting in the most recent fiscal year, it shall upload the aforesaid electronic file by 30 days prior to the day on which the General Shareholders' Meeting is to be held. The Company shall have the Meeting Handbook and supplementary information for the Shareholders' Meeting ready for access by shareholders 15 days prior to the Shareholders' Meeting. The documents shall also be displayed in the Company and in the Company's stock affairs agent and distributed at the Shareholders' Meeting.
On the day of the Shareholders' Meeting, the Company shall provide the aforementioned Meeting Handbook and supplementary meeting materials to the shareholders in the following ways:
 - (I) When convening a physical Shareholders' Meeting, the materials shall be distributed during the meeting.
 - (II) When convening a video-assisted Shareholders' Meeting, the materials shall be distributed during the meeting and the electronic files shall be uploaded to the video conference platform.
 - (III) When convening a video Shareholders' Meeting, the electronic files of the materials shall be uploaded to the video conference platform.

- III. The reasons for convening a Shareholders' Meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
- IV. Election or dismissal of directors or supervisors, amendments to the Articles of Association, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under the law of ROC, shall be set out and the essential contents shall be explained in the notice of the reasons for convening the Shareholders' Meeting. None of the above matters may be raised by an extraordinary motion.
- V. The reasons for convening a Shareholders' Meeting shall indicate the re-election of directors and the tenure of office of such directors. After re-election is completed at the Shareholders' Meeting, the tenure dates may not be changed by an extraordinary motion or other method at the same Shareholders' Meeting.
- VI. Shareholders holding more than 1% of the Company's outstanding shares may submit to this Company a written proposal for discussion in General Shareholders' Meetings. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. If the purpose of the proposal is to urge the Company to promote public interests or fulfill its social responsibilities, the Board may accept such proposal to be discussed in general meeting. The Board of Directors may disregard shareholders' proposals if the proposed agenda item involve any of the circumstances listed in Article 172-1, Paragraph 4 of the Company Act of the Republic of China.
- VII. Prior to the book closure date before a General Shareholders' Meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
- VIII. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. Shareholders who have successfully proposed agenda items shall attend the general meeting of shareholders in person or through proxy attendance and participate in the discussion.
- IX. The Company shall notify the proposing shareholders of the outcome of their proposed agenda items before the date the meeting notice is sent. Meanwhile, agenda items that satisfy the conditions listed in this Article shall be included as part of the meeting notice. During the Shareholders' Meeting, the Board of Directors shall explain the reasons why certain proposed agenda items are excluded from discussion.

Article 3-1 Matters to be included in the meeting notice for Shareholders' Meetings held through video conferencing

When the Company convenes a video Shareholders' Meeting, the Shareholders' Meeting convening announcement shall include the following items:

- I. Participation in a video meeting by shareholders and methods for exercising their voting rights.
- II. Troubleshooting methods for problems to the video conference platform or participation through video caused by natural disasters, incidents, or other force majeure, which shall at least include the following:
 - (I) In the event of continuing problems that cannot be solved causing the postponement or resumption of the meeting, and the date of the postponed or resumed meeting.

- (II) Shareholders who have not registered to participate in the original Shareholders' Meeting by video may not participate in the postponed or reconvened meeting.
- (III) When the Company convenes a video-assisted Shareholders' Meeting and the reconvened video conference cannot be conducted, if the total number of shares present reaches the statutory quota for the Shareholders' Meeting after the number of shares present at the Shareholders' Meeting by video is deducted, the Shareholders' Meeting shall be continued. The shares of shareholders in attendance through video shall be included in the total number of shares in attendance. The shareholders shall be deemed to have abstained from voting in all motions of the Shareholders' Meeting.
- (IV) Handling method in the event that results have been declared for all motions and no extraordinary motions have been proposed.
- III. A video Shareholders' Meeting shall be held and appropriate alternatives shall be stated for shareholders who may have difficulty attending the Shareholders' Meeting through video.

Article 4 Proxy Form

- I. For each Shareholders' Meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.
- II. A shareholder may only execute one proxy and appoint one agent only, which shall be delivered to the Company at least five days prior to the Shareholders' Meeting. If multiple proxies are submitted, the first to be delivered shall prevail. However, exception shall be granted if the shareholder issues a statement to withdraw the previous proxy.
- III. After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company no later than 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- IV. Once the proxy has been delivered to the Company and the shareholder wishes to attend the meeting through video call, the concerned shareholder should notify the Company in writing at least two days prior to the Shareholders' Meeting to rescind the notice for proxy. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 Principles determining the time and place of a Shareholders' Meeting

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

The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only Shareholders' Meeting.

Article 6 Preparation of documents such as the attendance book and attendance book for proxy

- I. The Company shall specify in its Shareholders' Meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.
- II. The time during which shareholder attendance registrations will be accepted, as

stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual Shareholders' Meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the Shareholders' Meeting in person.

- III. Shareholders and their proxies (hereinafter referred to as "shareholders") shall attend Shareholders' Meetings with attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily require other documents beyond those showing eligibility to attend presented by shareholders. Proxies providing a power of attorney must carry identification documents for verification.
- IV. The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
- V. The Company shall distribute the Meeting Handbook, annual report, attendance card, speech note, voting ballot and other meeting materials to the shareholders attending the meeting. Shareholders shall also be given election ballots where election of directors and independent directors is to take place.
- VI. When a government or juristic person is a shareholder, they may assign more than one representative to attend the meeting. A juristic person may assign only one proxy representative to attend the meeting on its behalf.
- VII. In the event of a virtual Shareholders' Meeting, shareholders who wish to attend by video shall re-register with the Company at least two days prior to the meeting date. The Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 7 Chairman and Acting as the Agent

- I. Shareholders' Meetings that are convened by the chairman shall be chaired by the chairman. If the chairman is unable to perform such duties due to leave of absence or any reason, the vice chairman shall act on the chairman's behalf. If the vice chairman is also unavailable or is non-existent, the chairman may appoint a standing director act on his behalf. 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.
- II. If the Managing Director or Director is appointed as Chair, the individual must have an understanding of the company's financial and business status as well as be employed for a duration of more than 6 months. he same shall be true for a representative of a juristic person director that serves as chair.
- III. It is advisable that Shareholders' Meetings convened by the Board of Directors be chaired by the chairman of the Board in person and attended by a majority of the directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the Shareholders' Meeting minutes.
- IV. For Shareholders' Meetings convened by any authorized party other than the Board of Directors, the convener will act as the meeting chairman. If there are two or more conveners at the same time, one shall be appointed from among them to chair the meeting.
- V. The Company may summon its lawyers, certified public accountants, and any relevant personnel to be present at the Shareholders' Meeting.

Article 8 Documentation of a shareholders meeting by audio or video

- I. The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the Shareholders' Meeting, and the voting and vote counting procedures.
- II. The recorded materials mentioned the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- III. In the event of a virtual Shareholders' Meeting, the Company shall keep records of the shareholders' registration, enrollment, check-in, questions and voting and the Company's vote counting results, and shall continuously and uninterruptedly record and videotape the entire video conference.
- IV. The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.
- V. In case of a virtual Shareholders' Meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9 Shareholders' Meeting Attendance and Voting

- I. Attendance at Shareholders' Meetings shall be calculated based on numbers of shares. The number of shares present is calculated based on the number of shares reported on the attendance book or sign-in card and the video conference platform, plus the number of shares for which voting rights are exercised by written or electronic means.
- II. The chair shall call the meeting to order at the appointed meeting time, and simultaneously announce information in relation to the number of shares that are not entitled to vote and the number of shares in attendance. 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 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a video Shareholders' Meeting, the Company shall announce the adjournment of the meeting on the video conference platform.
- III. 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 1 month. In the event of a virtual Shareholders' Meeting, shareholders who wish to attend by video shall re-register with the Company according to Article 6.
- IV. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the Shareholders' Meeting pursuant to Article 174 of the Company Act.

Article 10 Convening and Agenda of Shareholders' Meeting

- I. If the Shareholders' Meeting is convened by the Board of Directors, the Board of Directors shall determine the meeting agenda. Meeting agenda (including extraordinary motions and amendments to the original agendas) shall be voted by poll. The meeting shall proceed in the order set by the agenda, which may not be

- changed without a resolution of the Shareholders' Meeting.
- II. The above rule also applies if the Shareholders' Meeting is convened by any authorized party other than the Board of Directors.
 - III. In either of the two arrangements described above, the chairman cannot dismiss the meeting while an agenda item (including special motions) is still in progress. If the chairman violates the meeting policy by dismissing the meeting when it is not allowed to do so, other members of the Board shall immediately assist the attending shareholders to elect another chairman with the support of more than half of voting rights represented and continue the meeting.
 - IV. The Chairman must allow adequate time to explain and discuss the various agenda items, amendments or special motions proposed during the meeting. The Chairman may announce to discontinue further discussion if the issue in question is considered to have been sufficiently discussed, proceed with the voting, and arrange sufficient time to vote.

Article 11 Shareholder's Speech

- I. Shareholders who wish to speak during the meeting must produce an opinion slip detailing the topics and the shareholder's account number (or the attendance ID serial). The order of shareholders' comments shall be determined by the chairman.
- II. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. If the contents of the statement do not conform to the contents of the speech note, the contents of the statement shall prevail. Each shareholder shall speak no more than twice, for five minutes each, on the same agenda item unless otherwise agreed by the chairman. The chairman may stop shareholders from speaking if they violate the rules or speak outside the agenda item under discussion.
- III. While a shareholder is speaking, other shareholders shall not speak simultaneously or interfere in any way unless agreed by the chairman and the person speaking. Any violators shall be restrained by the chairman.
- IV. In the event a juristic person assigns two or more representatives to attend the Shareholders' Meeting, only one of the representatives may speak on the same proposal.
- V. After the shareholder has finished speaking, the chairman may answer to the shareholder's queries personally or appoint any relevant personnel to do so.
- VI. In the event of a virtual Shareholders' Meeting, shareholders participating by video may ask questions by text on the video conference platform after the chairman announces the commencement of the meeting and before the meeting is adjourned. The maximum number of questions for each motion is two, and each question is limited to 200 words. The provisions in Paragraph 1 to Paragraph 5 shall not apply.

Article 12 Calculation of voting shares

- I. Voting at a Shareholders' Meeting shall be calculated based the number of shares.
- II. The number of shareholder's shares without voting rights are not calculated in the total number of outstanding shares for resolutions in the Shareholders' Meeting.
- III. 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.
- IV. The number of shares held by shareholders who are not permitted to vote shall be excluded from the total voting rights represented in the meeting.
- V. With the exception of trust enterprises or stock affairs agencies approved by the competent securities authority, the votes that may be cast by one proxy representing two or more shareholders shall not exceed three percent of the votes

of total shares issued; any votes in excess of that limit shall not be counted.

Article 13 Exercise of voting rights

- I. Each share of a shareholder represents one vote, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2, Article 179 of the Company Act.
- II. Voting rights shall be exercised electronically and may be exercised in writing during a Shareholders' Meeting. 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.
- III. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 5 days before the date of the Shareholders' Meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, this is not applicable for manifestation of intentions prior to statement revocation.
- IV. If shareholders wish to personally attend the Shareholders' Meeting or attend the meeting through video after exercising their voting rights through written or electronic means, they must submit a manifestation of intention to revoke the exercise of their voting right in the same manner as above two days prior to the Shareholders' Meeting, at the latest; 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.
- V. 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 chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.
- VI. If the Chair consulted all the shareholders present at the meeting, the proposal is deemed to be passed. If there is dissent, the motion shall be voted on by the same basis as the voting method.
- VII. When there is an amendment or 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. If any resolution is passed, all other proposals shall be deemed rejected, and no further voting is necessary.
- VIII. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.
- IX. Vote counting for Shareholders' Meeting proposals or elections shall be conducted in public at the place of the Shareholders' Meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.
- X. When the Company convenes a virtual Shareholders' Meeting, after the chairman

declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chairman announces the voting session ends or will be deemed abstained from voting.

- XI. In the event of a virtual Shareholders' Meeting, after the chairman announces the close of the voting, the chairman shall conduct a one-time count of the votes and announce the voting and election results.
- XII. When the Company convenes a video-assisted Shareholders Meeting, shareholders who have registered to attend the Shareholders' Meeting through video according to Article 6 but wish to physically attend the Shareholders' Meeting shall cancel the registration using the same method of registration two days prior to the Shareholders' Meeting. Shareholders who miss the cancellation deadline may only attend the Shareholders' Meeting through video.
- XIII. Shareholders who exercise their voting rights in writing or electronically without revoking their intentions, and participate in the Shareholders' Meeting through video shall not exercise their voting rights on the original motion, propose amendments to the motion, or exercise their voting rights on the amendments to the motion, except for extraordinary motions.

Article 14 Election of Directors and Independent Directors

- I. The election of directors (including independent 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, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected and the names of those who were not elected and the number of votes they received.
- II. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15 Minutes of Shareholders' Meetings

- I. The Shareholders' Meeting's resolutions should be included in meeting minutes and either signed or stamped with the Chairman's chop; the meeting minutes shall be distributed to all shareholders within 20 days of the meeting. The preparation and distribution of meeting minutes may be disseminated through electronic means.
- II. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
- III. The meeting minutes shall detail the date and venue of the meeting, the Chairman's name, the method of resolution, and the proceeding and voting results of various meeting agenda items (including the statistical tallies of the numbers of votes). For election of directors, the number of votes of each candidate shall be disclosed. These minutes must be retained for as long as the company is in existence.
- IV. If the aforementioned method of resolution is consulted by the Chairman, the Shareholders' Meeting shall be consulted. If a shareholder has no objection to the proposal, the Company shall record the "Chairman consulted all the shareholders present, and they shall record the voting method and the percentage of voting resolved and approved." However, the Shareholders' Meeting shall record the voting method and the percentage of votes when there is dissent against the motion.
- V. For Shareholders' Meetings convened through video, apart from the matters to be recorded listed above, the meeting minutes shall record the start and end time of the Shareholders' Meeting, the method of convening the meeting, the names of the

chairman and recorder, and the handling and method of natural disasters, incidents or other force majeure that have affected the video conference platform or participation through video.

- VI. When the Company convenes a video Shareholders' Meeting, apart from the matters stated above, it shall be recorded in the meeting minutes. Appropriate alternatives shall be stated for shareholders who may have difficulty attending the Shareholders' Meeting through video.

Article 16 Public disclosure

- I. During the Shareholders' Meeting, the Company shall publish information regarding the number of shares acquired by acquirers, the number of shares represented by proxies, and the number of shares of shareholders in attendance in writing or electronically using the prescribed format. When the Company convenes a video Shareholders' Meeting, apart from the matters stated above, it shall be recorded in the meeting minutes. Appropriate alternatives shall be stated for shareholders who may have difficulty attending the Shareholders' Meeting through video.
- II. When the Company convenes a video Shareholders' Meeting, the total number of shareholders in attendance shall be disclosed on the video conference platform when the meeting is called to order. If the total number of shares of shareholders in attendance and the total voting rights are counted during the meeting, the same shall apply.
- III. If matters put to a resolution at a Shareholders' Meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 Staff handling affairs of the Shareholders' Meeting

- I. The meeting personnel handling the General Shareholders' Meeting shall bear identification cards or armbands.
- II. The chairman may instruct marshals or security staff to help maintain order in the meeting. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
- III. The chairman may stop anyone who attempts to speak using speaker equipment not provided by the Company.
- IV. The chairman may instruct marshals or security staff to remove shareholders who continue to violate the meeting rules despite being warned by the chairman.

Article 18 Recess and resumption of a Shareholders' Meeting

- I. The chairman may put the meeting in recess at appropriate times. In the occurrence of force majeure events, the chairman may suspend the meeting temporarily and resume at another time.
- II. 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.
- III. 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 Information disclosure during video meetings

When the Shareholders' Meeting is held through video conferencing, the Company shall disclose the voting results and election results on the Shareholders' Meeting video conference platform immediately after voting ends, and the information shall be

available for at least 15 minutes after the Chairman adjourns the meeting.

Article 20 Location of the chairman and secretary of the virtual Shareholders' Meeting

When the Company convenes a video Shareholders' Meeting, the Chairman and recording personnel shall be in the same location in the country. The Chairman shall announce the address of the location during the meeting.

Article 21 Handling of loss of signal

- I. In the event of a virtual Shareholders' Meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.
- II. In the event of a virtual Shareholders' Meeting, the Chairman shall announce the matters that do not require postponement or reconvention according to the Regulations Governing the Administration of Shareholder Services of Public Companies in Taiwan when announcing the meeting. If, prior to the close of the meeting announced by the chairman, there is an impediment to participation on the video conference platform or by video for a period of 30 minutes or more due to a natural disaster, incident or other force majeure, the meeting shall be postponed for not more than, or reconvened within, five days. The provisions of Article 182 of Taiwan's Company Act shall not apply.
- III. For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected Shareholders' Meeting online shall not attend the postponed or resumed session.
- IV. For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected Shareholders' Meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected Shareholders' Meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.
- V. During a postponed or resumed session of a Shareholders' Meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.
- VI. When the Company convenes a hybrid Shareholders' Meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual Shareholders' Meeting online, still meets the minimum legal requirement for a shareholder meeting, then the Shareholders' Meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.
- VII. Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that Shareholders' Meeting.
- VIII. When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original Shareholders' Meeting in accordance with the laws and regulations in the location of the Company's listing.
- IX. During the period stated in the latter half of Article 12 and Paragraph 3 of Article

13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public in Taiwan, Paragraph 2, Article 44-5, Article 44-15, and Paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matters according to the date of the Shareholders' Meeting postponed or reconvened according to Paragraph 2

Article 22 Handling of digital gaps

When the Company convenes a video Shareholders' Meeting, appropriate alternatives shall be provided for shareholders who may have difficulty attending the Shareholders' Meeting through video.

Article 23 Implementation and revision

These Rules shall come into effect upon approval of the Shareholders' Meeting. The same applies to all subsequent amendments.

臻鼎科技控股股份有限公司
Zhen Ding Technology Holding Limited



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