

**Minutes of the 2026 Annual General Meeting of**  
**Lemtech Holdings Co., Limited**  
**(Incorporated in the Cayman Islands)**  
**(the "Company")**

Meeting time: 11:00 a.m., Friday, May 29, 2026

Meeting place: 10F., No. 196, Jingmao 2nd Rd., Nangang Dist., Taipei City 115 , Taiwan (The Place Taipei)

Attendance: Shareholding of the attending shareholders: 38,646,953 shares (Ordinary shares, NTD 10 per share) of the attending shareholders, representing 57.68% of the total issuance of 66,993,099 shares (Ordinary shares, NTD 10 per share).

Directors Present : Hsu, Chi-Feng, Ye, Hang, Tan, Yong, Chen, Hui-Min,  
Wang, Chi-Chuan, Cheng, Frank, Hsieh, Ainsley

Chairman: Mr. Hsu, Chi-Feng,

Recorder: Mr. Chen Yu-Hsuan

- I. Chairman of the Meeting announced that the shareholding of shareholders present has met the regulatory requirement so that the Meeting begins.**
- II. Statement by the Chairman: Omitted.**
- III. Reporting matters:**

Report I : Operation conditions of the company in 2025

Description : For the content of the company's 2025 Business Report, please refer to Attachment 1 of this handbook.

Report II : Audit committee's review report on the 2025 financial statements

Description : In accordance of Article 228 of the Company Act, the company's Board of Directors has prepared the 2025 Business Report, consolidated financial statements, and proposal of annual profit distribution. The Audit Committee has reviewed the aforementioned books and statements submitted by the Board of Directors and has found no deviations. Therefore, pursuant to Article 14-4 of the Securities and Exchanges Act and Article 219 of the Company Act, the Audit Committee hereby presents the Audit Report. Please refer to Attachment 2 of this handbook.

Report III : Distribution of employee bonus and compensation of directors in 2025

Description : 1. Pursuant to the company's Memorandum and Articles of Association, it is proposed to appropriate 1% for employee bonus as well as for directors' compensation, in the amount of NTD1,340,329 for employee and NTD1,340,329 for directors respectively.

2. The motion has been approved by the Remuneration Committee and the Board of Directors and is submitted to the shareholders' meeting.
3. The motion has been approved by the Remuneration Committee and the Board of Directors and is submitted to the shareholders' meeting.

Report IV : Distribution of cash dividends in 2025 Profits

Description : 1. According to the provisions of Articles 94-1, 94-2 and 95 of the company's Memorandum and Articles of Association, when the profit is distributed in the form of cash, the company authorizes the Board of Directors to distribute the said profit after a resolution is made, and then report to the shareholders' meeting.

Year 2025	Board of Directors Resolution Date	Cash Dividends Per Share (NT\$)	Total Amount of Cash Dividends (NT\$)	Payment Date
Q1	2025/05/12	0.45	27,987,043	2025/08/22
Q2	2025/08/21	0.177	11,558,649	2025/10/23
Q3	2025/11/13	0.303	20,329,209	2026/01/22
Q4	2026/03/11	0	0	N/A

**IV. Proposals matters:**

Item I : (Proposed by the Board of Directors)

Subject : Adoption of the 2025 Business Report and Financial Statements

Description : 1.The 2025 Business report, consolidated financial statements (including balance sheet, income statement, statement of changes in equity, and statement of cash flows) have been resolved by the Board of Directors. These consolidated financial statements, as audited by the CPAs of Deloitte Taiwan, Kuo, Nai-Hua and Xue, Jun-Min, along with the 2025 Business Report, have been reviewed and approved by the Audit Committee. Please see Attachment 3 of this handbook.

2.Please proceed to adopt this proposal.

**Resolution : This case was voted with 38,646,953 voting rights in favor, accounting for 94.80% of the total voting rights of the presenting shareholders with 36,641,088 voting rights (Include electronic voting). There were 8,960 voting rights (Include electronic voting) not in favor of the case. There were 1,996,905 waived/not voted and 0 voting right invalid (Include electronic voting). The Proposal was approved accordingly.**

Item II : (Proposed by the Board of Directors)

Subject : Adoption of the proposal for distribution of 2025 profits

Description : 1. The company's 2025 Annual Profit Distribution Table have been approved by the Audit Committee, and resolved by the Board of Directors.

2. The earnings distribution for the year is NT\$1,675,689,199 (Including the undistributed surplus at the beginning of the period of NT\$1,546,705,011, deduction of retained earnings of NT\$0 due to investment adjustments using the equity method, deduction of canceled treasury stocks and debit retained earnings of NT\$0, plus the net profit after tax of the current period of NT\$128,984,188, and minus the special reserved surplus of NT0 minus the cash dividends distributed in 2025 totaling NT\$59,874,901, the undistributed surplus at the end of the period was NT\$1,615,814,298.
3. According to the company's 2025 Annual Profit Distribution Table, please refer to Attachment 4 of this handbook.(page 24)
4. Please proceed to adopt this proposal.

**Resolution : This case was voted with 38,646,953 voting rights in favor, accounting for 94.86% of the total voting rights of the presenting shareholders with 36,664,188 voting rights (Include electronic voting). There were 8,961 voting rights (Include electronic voting) not in favor of the case. There were 1,973,804 waived/not voted and 0 voting right invalid (Include electronic voting). The Proposal was approved accordingly.**

#### **V. Discussion Matters**

Item I : (Proposed by the Board of Directors)

Subject : Amendment to the company's Memorandum and Articles of Association.

Description : In accordance with the actual operational needs of the Company, it is proposed to amend the Company's Articles of Incorporation. For a detailed comparison of the amended Articles of Incorporation, please refer to Attachment 5 (page 25) to these minutes.

**Resolution : This case was voted with 38,646,953 voting rights in favor, accounting for 94.86% of the total voting rights of the presenting shareholders with 36,664,190 voting rights (Include electronic voting). There were 8,967 voting rights (Include electronic voting) not in favor of the case. There were 1,973,796 waived/not voted and 0 voting right invalid (Include electronic voting). The Proposal was approved accordingly.**

Item II : (Proposed by the Board of Directors)

Subject : Amendment to the company's Procedures for Acquisition or Disposal of Assets.

Description : In accordance with FSC Letter No. 1140383333, the Company's 'Procedures for Acquisition or Disposal of Assets' are to be revised. Please see Attachment 6 for the comparison table of the revised and original articles.

**Resolution :** This case was voted with 38,646,953 voting rights in favor, accounting for 94.86% of the total voting rights of the presenting shareholders with 36,664,092 voting rights (Include electronic voting). There were 9,066 voting rights (Include electronic voting) not in favor of the case. There were 1,973,795 waived/not voted and 0 voting right invalid (Include electronic voting). The Proposal was approved accordingly.

Item III : (Proposed by the Board of Directors)

Subject : Amendment to the company's Procedures for Lending Funds to Other Parties.

Description : Based on operational needs, the Company proposes revisions to the 'Procedures for Lending Funds to Other Parties. For a detailed comparison of the amended Articles of Incorporation, please refer to Attachment 7 (page 28) to these minutes.

**Resolution :** This case was voted with 38,646,953 voting rights in favor, accounting for 94.87% of the total voting rights of the presenting shareholders with 36,666,265 voting rights (Include electronic voting). There were 9,724 voting rights (Include electronic voting) not in favor of the case. There were 1,970,964 waived/not voted and 0 voting right invalid (Include electronic voting). The Proposal was approved accordingly.

**VI. Extempore Motion: None.**

**VII.Meeting adjourned: 11:20 am.**

**There were no questions from shareholders at the AGM.**

\* The purpose of the meeting is documented in the minutes of the general shareholders' meeting. The Agenda and procedures of the meeting are taped in video and audio form.

# Attachment 1.

## 2025 Business Report

Dear Shareholders,

In FY2025, Lemtech Group continued to execute its strategic transformation amid a volatile macroeconomic and geopolitical environment. Consolidated revenue increased to NTD 6.275 billion, driven by incremental capacity expansion and the progressive ramp-up of regional manufacturing operations.

In FY2025, Lemtech Group continued to execute its strategic transformation amid a volatile macroeconomic and geopolitical environment. Consolidated revenue increased to NTD 6.275 billion, driven by incremental capacity expansion and the progressive ramp-up of regional manufacturing operations. These financial achievements underscore the resilience and adaptability of Lemtech Group's business model in navigating market volatility while maintaining financial stability.

During FY2025, the Group increased capital expenditures to expand manufacturing facilities in Mexico and Thailand. Despite this investment-intensive phase, cash and cash equivalents remained robust at NTD 1.45 billion at year-end. The commercial commencement of the Malaysia and Thailand plants further expanded production capacity and positions the Group to benefit from improved operating leverage in FY2026.

As part of its disciplined capital management approach, the Group also completed the disposal of real estate in Zhongli, with the property handover and repayment of long-term loans and partial short-term financing finalized in January 2026. This action not only strengthens liquidity but also reinforces financial flexibility to support ongoing investment in high-return core operations.

Global supply chains continue to undergo structural realignment as geopolitical fragmentation and trade policy shifts accelerate regional diversification. Customers are increasingly prioritizing production resilience, tariff mitigation, and proximity to end markets. Lemtech's multi-regional manufacturing platform across Asia and North America directly addresses these structural shifts.

Our continued investment in automation, smart manufacturing systems and supply chain flexibility enhances cost competitiveness while mitigating labor and geopolitical risk. We are actively evaluating further expansion opportunities in Southeast Asia and North Africa to reinforce geographic optionality and long-term growth visibility.

FY2025 marked the formal institutionalization of the Group's ESG framework. Our approach prioritizes regulatory alignment, risk identification, internal capability building and operational integration across business units. ESG governance has been embedded within management oversight structures to ensure accountability and measurable progress. We view ESG not as a standalone initiative, but as an integral component of risk management, capital access and long-term enterprise valuation.

Industry fundamentals remain constructive. Electric vehicle penetration is projected to exceed 20% of global new vehicle sales in 2026, while structural investment in AI infrastructure continues to drive demand for precision components and advanced manufacturing capabilities.

Against this backdrop, the Group will maintain a disciplined growth strategy anchored on:

- Strengthening core margin profile
- Enhancing asset utilization and operating leverage
- Maintaining a conservative balance sheet
- Pursuing selective, earnings accretive acquisitions

- Preserving liquidity flexibility under volatile macro conditions

Management remains focused on sustainable profitability, cash flow generation and return optimization. With an expanded regional footprint, improved earnings quality and strengthened financial resilience, Lemtech is positioned to deliver stable long term value creation for shareholders.

## I. 2025 Business Report

### (I) Implementation results of the business plan

Unit: Thousand NTD

Item \ Year	2025	2024	Amount of increase (decrease)	Change by percentage (%)
Net operating revenue	6,275,379	5,682,176	593,203	10.44%
Operating costs	4,925,968	4,377,460	548,508	12.53%
Gross profit	1,349,411	1,304,716	44,695	3.43%
Operating expenses	946,076	757,587	188,489	24.88%
Net operating income	403,335	547,129	(143,794)	-26.28%
Non-operating income and expenses	(96,574)	(28,430)	(68,144)	239.69%
Net income before tax	306,761	518,699	(211,938)	-40.86%
Less: Income tax expenses	93,616	104,517	(10,901)	-10.43%
Current net income from continuing operations	213,145	414,182	(201,037)	-48.54%
Profit (loss) of discontinued operations	(73,175)	14,963	(88,138)	-589.04%
Net income for this period	139,970	429,145	(289,175)	-67.38%

Analysis on the change of amount of increase/decrease:

1. Increase in operating expenses and decrease in net operating profit:

(1) Due to changes in the sales mix, the revenue share of online fitness equipment products increased this year, resulting in a decline in the overall gross margin.

(2) The increase in operating expenses was primarily due to: a 38.6 million increase in shipping and import/export costs under sales and marketing expenses, a 17 million increase in commission expenses, and a 6.3 million increase in entertainment expenses. The increase in administrative expenses was primarily driven by newly established overseas subsidiaries in Mexico, Thailand, and Malaysia. Mexico began mass production in the fourth quarter of this year, while the other two subsidiaries are still in the operational preparation phase, resulting in a 57.3 million increase in administrative expenses. The increase in R&D expenses was mainly due to a 13.3 million increase in salary expenses and a 10.9 million increase in amortization of intangible assets.

2. Increase in net non-operating expenses: Due to quality issues, the subsidiary Changshu Electronics incurred significant operating losses in the second quarter of this year. On December 18, 2025, the consolidated company's board of directors resolved to sell its equity interest in Changshu Electronics. The investment company LIL, which accounts for its investment in Changshu Electronics using the equity method, recognized an impairment loss of 125.6 million based on the difference between the expected fair value less costs to sell and the carrying amount.

3. Decrease in profit or loss from discontinued operations: As mentioned in point 2, since the transaction meets the criteria of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations," the profit or loss of Changshu Electronics for the two fiscal years is reported as profit or loss from discontinued operations.

4. Decrease in net profit for the period: Taking into account the above factors, the decrease in net profit for the period was primarily due to a decline in product gross margin, an increase in operating expenses, and the recognition of a significant impairment loss on an equity-method investment.

(II) Analysis of financial revenues and expenditures and profitability: We focuses on enhancing the portfolio of products which generate higher gross profit, integrating client resources, strengthening cooperation with well-known enterprises. Our financial operations have been consistent and stable, and revenue and expenditures are in good condition.

Unit: %

Item		Year	2025	2024	Increase (decrease)
Financial structure	Ratio of liabilities to assets		56.92	53.58	3.34
	Ratio of long-term capital to fixed assets		256.29	269.29	-13.00
Debt service ability	Current ratio		180.07	197.37	-17.30
	Quick ratio		140.00	160.38	-20.38
Profitability	Asset return ratio		2.30	6.23	-3.93
	Shareholders' equity return ratio		3.58	11.56	-7.98
	Basic earnings per share (NTD)		1.98	6.16	-4.18

## II. 2026 Business Plan

### 1. Operating Strategies

- **Capacity Optimization and Regional Expansion:** Enhance asset utilization and accelerate revenue contribution from our Mexico, Malaysia and Thailand facilities, while advancing construction and operational readiness of the North Africa plant by FY26-Q4 to support automotive and consumer electronics demand across the Western Europe and North Africa region.
- **Tooling Localization Strategy:** Establish a second tool design and fabrication center in Thailand by FY26-Q4 to diversify tooling capabilities beyond China, strengthen supply chain resilience, and mitigate geopolitical concentration risk while ensuring greater operational continuity and responsiveness to regional customer demand
- **Smart Production and Digital Integration:** Intensify the deployment of AI-enabled automation, integrated digital manufacturing systems and predictive analytics to improve quality stability, optimize yield performance, and reinforce operational efficiency.
- **Process Optimization:** Strengthen the implementation of lean manufacturing and Six Sigma disciplines to enhance productivity, cost competitiveness, and margin resilience.

### 2. Supply Chain Management Strategies

- **Diversified Supplier Ecosystem:** Expand and regionalize our supplier network across Asia, North Africa, and Latin America to reduce concentration risk and mitigate geopolitical and supply disruption exposure.
- **Supply Chain Transparency:** Strengthen our cloud-based enterprise resource planning (ERP) system to enhance real-time visibility, multi-tier supplier risk monitoring and responsiveness to potential disruptions.

- **Sustainable Procurement:** Collaborate with environmentally responsible suppliers to align procurement practices with evolving global environmental, social and governance (ESG) standards and regulatory expectations.

### 3. Sales and Marketing Strategies

- **Regional Manufacturing-Led Market Penetration:** Leverage Lemtech's multi-country footprint - Mexico, Thailand, Malaysia and planned North Africa, to strengthen the Group's position as a regionalized supply chain partner for global OEMs.
- **Solution-Based Business Model Transformation:** Evolve from a component supplier to a comprehensive precision engineering partner by offering platform-based solutions that integrate precision stamping, mechanical kits, and thermal modules.
- **Next-Generation Technology Focus:** Prioritize high-value programs in EV battery systems, AI-driven servers, industrial automation, and emerging technology areas such as satellite communications and AI robotics to capture next-generation growth opportunities and drive long-term value creation.

### 4. Research and Development Strategies

- **Customer-Centric R&D and Cost-Effective Design:** Engage customers early in product design and manufacturing process planning to optimize cost efficiency, enhance manufacturability and accelerate time-to-market for high-value solutions
- **Thermal and Power Management Innovation:** Prioritize the development of advanced cooling systems including cold plate liquid cooling and integrated heat spreaders for AI servers, EV powertrains and high-density electronics to enhance performance and reliability.
- **Collaboration with Leading Institutions:** Strengthen partnerships with academic and research organizations to drive innovation and accelerate the commercialization of next-generation solutions.

### 5. Human Resource Strategies

- **Talent Acquisition and Retention:** Attract and retain top engineering and management talent through competitive compensation, career development programs and structured succession planning to strengthen organizational capability.
- **Upskilling and Workforce Transformation:** Implement AI and automation training initiatives to future-proof employee skillsets, enhance operational efficiency and support the Group's digital transformation.
- **Diversity and Inclusive Culture:** Foster a collaborative and innovative corporate culture that drives employee engagement, productivity and sustainable long-term organizational performance.

### 6. Financial Strategies

- **Capital Structure Optimization:** Maintain a balanced debt-to-equity ratio to ensure financial flexibility, optimize cost of capital and support strategic growth initiatives.
- **Return on Capital Management:** Prioritize projects and investments that deliver superior return on invested capital to enhance long-term shareholder value.
- **Working Capital Efficiency:** Streamline receivables, payables and inventory management to free up cash, reduce financing costs and improve operational liquidity.
- **Financial Risk Management:** Implement robust hedging, currency and interest rate risk mitigation strategies to safeguard earnings in a volatile global environment.
- **Investment Discipline and Portfolio Review:** Continuously evaluate capital projects and acquisitions for strategic fit, profitability and risk-adjusted returns to ensure optimal capital allocation.

## 7. Sustainability & ESG Commitment Strategies

- **Formal ESG Roadmap:** Establish measurable ESG targets covering carbon emission reduction, energy efficiency and sustainable procurement practices.
- **ESG Governance and Reporting:** Strengthen governance structures and disclosure frameworks to meet evolving investor expectations and regulatory standards.
- **Carbon and Energy Efficiency Initiatives:** Enhance manufacturing energy efficiency and reduce greenhouse gas emissions across operations.
- **Sustainable Material Adoption:** Increase the use of recyclable and eco-friendly materials in production to support long-term sustainability goals.
- **Corporate Social Responsibility (CSR):** Deepen community engagement and promote ethical business practices that reinforce the Group's social license to operate.

## 8. Risk Management Strategies

- **Geopolitical and Economic Risk Mitigation:** Strengthen regional risk management frameworks to safeguard operations and earnings resilience amid global geopolitical and macroeconomic uncertainties.
- **Cybersecurity and Regulatory Compliance:** Implement robust cybersecurity and compliance frameworks to protect intellectual property, secure digital infrastructure and uphold regulatory integrity.
- **Crisis Management and Business Continuity:** Enhance enterprise-wide contingency planning and business continuity systems to mitigate operational disruptions and preserve stakeholder confidence.

## III. Company Future Development Strategy

### 1. Expansion into High-Potential Markets

- **EV Automotive and Satellite Communications Sector:** Deepen strategic engagement with global OEMs and Tier 1 integrators to supply high precision, high reliability components for next-generation EV, autonomous driving and intelligent mobility platforms, as well as emerging applications in satellite communications.
- **AI, Data Infrastructure and Advanced Electronics Thermal Solutions:** Strengthening R&D capabilities in thermal solutions tailored for high-performance computing and data centres. Invest in next-generation cooling technologies, such as liquid cooling systems and advanced heat dissipation modules, to support the increasing power density of AI servers and cloud-based infrastructures, as well as emerging application in AI robotics.
- **North Africa Manufacturing Hub:** Operationalize the North Africa facility as a strategic export and manufacturing base serving Western Europe and North Africa, leveraging proximity advantages, regional automotive assembly growth and expanding logistics infrastructure.

### 2. Digital Transformation & Smart Manufacturing

- **Smart Factory Network Integration:** Deploy integrated digital platforms, including ERP and the Lemtech Portal, across global facilities to enhance data transparency, quality governance, and operational agility.
- **Intelligent Production Systems:** Implement IoT-enabled manufacturing systems to enhance end-to-end operational visibility, improve production efficiency, enable predictive maintenance and support data driven decision making.

### 3. Strategic Mergers & Acquisitions

- **Smart Factory Network Integration:** Deploy integrated digital platforms, including ERP and the Lemtech Portal, across global facilities to enhance data transparency, quality governance, and operational agility.
- **Intelligent Production Systems:** Implement IoT-enabled manufacturing systems to enhance end-to-end operational visibility, improve production efficiency, enable predictive maintenance and support data driven decision making.

#### IV. Influenced by the external competitive environment, regulatory environment and overall business environment

##### 1. External Competitive Environment

- **Intensifying Industry Competition:** The precision components and advanced manufacturing sector continues to experience pricing pressure and capacity expansion, particularly across Asia. Lemtech differentiates through multi-regional manufacturing capabilities, smart factory deployment, engineering integration expertise and long-term customers partnerships, enabling value-based competition rather than price-driven competition.
- **Technological Disruption:** Rapid advancements in AI infrastructure, electrification and intelligent automation are reshaping end-market demand. The Group remains proactive in investing in AI-enabled manufacturing, advanced thermal management and digital engineering capabilities to remain aligned with next-generation industry requirements.

##### 2. Regulatory Environment

- **Compliance and Risk Management:** Increasing regulatory scrutiny across carbon reporting, data protection, export controls and supply chain transparency necessitates strengthened governance oversight. Lemtech continues to enhance internal control frameworks, ESG disclosure practices and cross-border compliance systems to ensure adherence to evolving international standards.
- **Trade Policy and Tariff Adaptation:** Ongoing geopolitical fragmentation and shifting tariff regimes are accelerating supply chain regionalization. Leveraging our manufacturing presence in Mexico, Southeast Asia and the planned North Africa facility, the Group mitigates trade exposure and enhances proximity to major end markets.

##### 3. Overall Business Environment

- **Compliance and Risk Management:** Increasing regulatory scrutiny across carbon reporting, data protection, export controls and supply chain transparency necessitates strengthened governance oversight. Lemtech continues to enhance internal control frameworks, ESG disclosure practices and cross-border compliance systems to ensure adherence to evolving international standards.
- **Trade Policy and Tariff Adaptation:** Ongoing geopolitical fragmentation and shifting tariff regimes are accelerating supply chain regionalization. Leveraging our manufacturing presence in Mexico, Southeast Asia and the planned North Africa facility, the Group mitigates trade exposure and enhances proximity to major end markets.

### Conclusion

Lemtech Group remains firmly committed to operational excellence, disciplined strategic expansion and sustainable long term value creation in 2026. Supported by a resilient balance sheet, a diversified multi-regional manufacturing footprint, a technology-aligned product portfolio and an increasingly integrated ESG framework, the Group is well positioned to navigate global uncertainties while delivering stable and sustainable returns to shareholders and stakeholders.

On behalf of the Board of Directors and Executive Leadership Team, we extend our sincere appreciation to our employees, customers, business partners and investors for their continued trust and support. With clear strategic priorities and disciplined execution, Lemtech enters 2026 with confidence and a strong foundation for sustainable growth.

Lemtech Holdings Co., Limited

Chairman	Hsu, Chi-Feng
General Manager	Eu, Ricky
Accounting Supervisor	Chien, Yi-Ling

## **Attachment 2.**

### **2025 Audit Report by Audit Committee**

Lemtech Holdings Co., Limited

Audit Report by Audit Committee

The 2025 Business Report, consolidated financial statements, and proposal of annual profit distribution are prepared by the company's Board of Directors. The CPAs of Deloitte Taiwan, Kuo, Nai-Hua and Xue, Jun-Min, have audited the aforementioned consolidated financial statements and issued the audit report.

The Audit Committee has reviewed the above books and statements submitted by the Board of Directors and has found no deviations. Therefore, pursuant to Article 14-4 of the Securities and Exchanges Act and Article 219 of the Company Act of the Republic of China, the Audit Committee hereby presents the audit report.

RESPECTFULLY SUBMITTED TO

Lemtech Holdings Co., Limited

Convener of the Audit Committee: Wang, Chi-Chuan

March 26, 2026

## **Attachment 3**

# **2025 Auditors' Report and Financial Statements**

### **Independent Auditors' Report**

Lemtech Holdings Co., Limited public notice:

#### **Audit opinion**

We have reviewed the accompanying consolidated balance sheets of Lemtech Holdings Co., Limited and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, 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, the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

#### **Basis for Auditor's Opinions**

We conducted review work in accordance with the "Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and auditing standards, we implemented the review work. Our responsibilities required under said standards will be detailed in the paragraph about the external auditor's responsibility on auditing consolidated financial statements. We are independent of the company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other obligations under the Norm. We are convinced that we have acquired enough and appropriate audit evidence to serve as the basis of audit opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of Lemtech Holding Group for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the consolidated financial statements for the year ended December 31, 2025 are stated as follows:

### Key Audit Matters: Revenue recognition authenticity of specific customer

The revenues of the Group include electronic components, automotive components, and connected fitness equipment. Due to their significance and the inherent risk associated with revenue recognition under auditing standards, we have identified verification of shipment authenticity to specific sales customers as a key audit matter. Please refer to Notes 4 and 25 of the consolidated financial statements for a description of the revenue recognition policy.

In addition to testing the relevant internal controls, we also perform the following key audit procedures:

1. Examine the sales revenue transactions of specific customers, verifying corresponding sales orders, credit memos, and payment status to confirm the actual occurrence of sales transactions.
2. Whether there is any significant sales return and allowance testing performed after the balance sheet date to verify the authenticity of the aforementioned transactions and the reasonableness of the returns and allowances.

### **Management and the governing body are responsible for the consolidated financial statements**

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

## **Auditor's 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 assurance but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If an individual or total amount misstated was reasonably expected to have an impact on the economic decision-making of users of the consolidated financial statements, the misstatement was deemed as material.

As part of an audit in accordance with the auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, and 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we complied with relevant ethical requirements regarding independence, and communicated 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 determined those matters that were of most significance in the audit of consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report as the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

Taipei, Taiwan (Republic of China)

March 26, 2026

#### **Notes to Readers**

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

## (English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Lemtech Holdings Co., Limited and its subsidiaries

Consolidated Balance Sheet

December 31, 2025 and 2024

Units: NT\$1,000

Code	Assets	December 31, 2025		December 31, 2024	
		Amount	%	Amount	%
<b>Current assets</b>					
1100	Cash and cash equivalents (Notes 6 and 35)	\$ 1,395,888	15	\$ 1,915,075	23
1110	Financial assets at fair value through profit or loss – current (Notes 7 and 35)	94,436	1	-	-
1136	Financial assets at amortized cost – current (Notes 8, 9, 35 and 37)	132,006	2	26,000	-
1150	Notes receivable (Notes 10, 25 and 35)	73,534	1	113,480	1
1170	Accounts receivable (Notes 10, 25 and 35)	2,098,365	23	1,662,627	20
1200	Other receivables (Notes 10 and 35)	38,100	-	52,035	1
1220	Current tax assets (Note 27)	1,510	-	13,750	-
130X	Inventory (Note 11)	1,194,330	13	996,681	12
1410	Prepayments (Note 19)	235,098	3	116,024	2
1460	Non-current assets held for sale (Notes 12 and 37)	1,133,820	13	1,038,147	12
1470	Other current assets	<u>26,043</u>	-	<u>2,610</u>	-
11XX	Total current assets	<u>6,423,130</u>	<u>71</u>	<u>5,936,429</u>	<u>71</u>
<b>Non-current assets</b>					
1535	Financial assets at amortized cost - non-current (Notes 8, 9, 35 and 37)	44,716	1	-	-
1600	Property, plant and equipment (Notes 14, 33 and 37)	1,855,319	20	1,767,026	21
1755	Right-of-use assets (Note 15)	514,316	6	394,897	5
1805	Goodwill (Note 17)	4,437	-	4,628	-
1821	Other intangible assets (Note 18)	11,522	-	12,973	-
1840	Deferred tax assets (Note 27)	73,750	1	49,114	-
1915	Prepayments for equipment (Note 19)	130,221	1	232,191	3
1920	Guarantee deposits paid (Notes 19 and 35)	<u>23,082</u>	-	<u>17,268</u>	-
15XX	Total non-current assets	<u>2,657,363</u>	<u>29</u>	<u>2,478,097</u>	<u>29</u>
1XXX	Total assets	<u>\$ 9,080,493</u>	<u>100</u>	<u>\$ 8,414,526</u>	<u>100</u>
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
2100	Short-term borrowings (Notes 20, 35 and 37)	\$ 1,252,890	14	\$ 1,026,072	12
2130	Contract liabilities - current (Note 25)	80,005	1	93,061	1
2150	Notes payable (Note 22 and 35)	21,520	-	110,012	1
2170	Accounts payable (Notes 22 and 35)	1,434,918	16	1,147,255	14
2219	Other payables (Notes 23 and 35)	375,639	4	391,319	5
2260	Liabilities directly associated with non-current assets held for sale (Note 12)	79,063	1	-	-
2230	Current tax liabilities (Note 27)	48,807	-	50,077	1
2280	Lease liabilities - current (Notes 15, 33 and 35)	97,609	1	77,796	1
2322	Long-term borrowings due within one year or one operating cycle (Notes 20, 35 and 37)	53,272	1	25,881	-
2399	Other current liabilities	<u>123,318</u>	<u>1</u>	<u>86,265</u>	<u>1</u>
21XX	Total current liabilities	<u>3,567,041</u>	<u>39</u>	<u>3,007,738</u>	<u>36</u>
<b>Non-current liabilities</b>					
2540	Long-term borrowings (Notes 20, 35 and 37)	843,396	9	852,336	10
2570	Deferred tax liabilities (Note 27)	399,636	5	397,396	5
2580	Lease liabilities - non-current (Notes 15, 33 and 35)	343,064	4	235,014	3
2645	Guarantee deposits received (Note 35)	<u>15,668</u>	-	<u>15,935</u>	-
25XX	Total non-current liabilities	<u>1,601,764</u>	<u>18</u>	<u>1,500,681</u>	<u>18</u>
2XXX	Total liabilities	<u>5,168,805</u>	<u>57</u>	<u>4,508,419</u>	<u>54</u>
<b>Equity attributable to owners of the Company (Note 24)</b>					
3110	Ordinary shares	<u>670,931</u>	<u>7</u>	<u>621,934</u>	<u>7</u>
3200	Capital surplus	<u>1,587,132</u>	<u>18</u>	<u>1,463,061</u>	<u>17</u>
<b>Retained earnings</b>					
3320	Special reserve	59,066	1	59,066	1
3350	Unappropriated earnings	<u>1,615,814</u>	<u>18</u>	<u>1,577,800</u>	<u>19</u>
3300	Total retained earnings	<u>1,674,880</u>	<u>19</u>	<u>1,636,866</u>	<u>20</u>
<b>Other equity</b>					
3410	Exchange difference arising from translation of the financial statements of foreign operations	82,189	1	93,456	1
3490	Other equity - other	( <u>133,149</u> )	( <u>2</u> )	-	-
3400	Other equity	( <u>50,960</u> )	( <u>1</u> )	<u>93,456</u>	<u>1</u>
31XX	Total equity of owners of the Company	<u>3,881,983</u>	<u>43</u>	<u>3,815,317</u>	<u>45</u>
36XX	Non-controlling interests	<u>29,705</u>	-	<u>90,790</u>	<u>1</u>
3XXX	Total equity	<u>3,911,688</u>	<u>43</u>	<u>3,906,107</u>	<u>46</u>
<b>Total liabilities and equity</b>					
		<u>\$ 9,080,493</u>	<u>100</u>	<u>\$ 8,414,526</u>	<u>100</u>

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

Chairman: Hsu, Chi-Feng

Manager: Eu, Ricky

Accounting Supervisor: Chien, Yi-Ling

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Lemtech Holdings Co., Limited and its subsidiaries  
Consolidated Statement of Comprehensive Income  
For the years ended December 31, 2025 and 2024

(Units: NT\$1,000, Except Earnings Per Share)

Code		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (Notes 25 and 36)	\$ 6,275,379	100	\$ 5,682,176	100
5000	Operating costs (Note 11)	( 4,925,968 )	( 79 )	( 4,377,460 )	( 77 )
5900	Gross profit	<u>1,349,411</u>	<u>21</u>	<u>1,304,716</u>	<u>23</u>
	Operating expenses (Note 26)				
6100	Sales expense	( 293,586 )	( 5 )	( 230,343 )	( 4 )
6200	Administrative expenses	( 430,160 )	( 7 )	( 337,847 )	( 6 )
6300	R&D expenses	( 217,812 )	( 3 )	( 205,745 )	( 3 )
6450	Expected credit impairment (loss) gain	( <u>4,518</u> )	<u>-</u>	<u>16,348</u>	<u>-</u>
6000	Total operating expenses	( <u>946,076</u> )	( <u>15</u> )	( <u>757,587</u> )	( <u>13</u> )
6900	Operating income	<u>403,335</u>	<u>6</u>	<u>547,129</u>	<u>10</u>
	Non-operating income and expenses (Note 26)				
7100	Interest revenue	35,805	1	41,308	1
7190	Other revenues	78,262	1	72,324	1
7020	Other gains and losses	( 122,576 )	( 2 )	( 68,377 )	( 1 )
7050	Financial cost	( 88,065 )	( 1 )	( 72,853 )	( 2 )
7060	Share of profit/loss from associates and joint ventures using the equity method.	<u>-</u>	<u>-</u>	( <u>832</u> )	<u>-</u>
7000	Total non-operating revenue and expenses	( <u>96,574</u> )	( <u>1</u> )	( <u>28,430</u> )	( <u>1</u> )
7900	Net income before tax from continuing operations	306,761	5	518,699	9
7950	Income tax expense (Note 27)	( <u>93,616</u> )	( <u>2</u> )	( <u>104,517</u> )	( <u>1</u> )

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Code		2025		2024	
		Amount	%	Amount	%
8000	Current net income from continuing operations	\$ 213,145	3	\$ 414,182	8
8100	Profit/loss of discontinued operations	( 73,175 )	( 1 )	14,963	-
8200	Net profits for the year	<u>139,970</u>	<u>2</u>	<u>429,145</u>	<u>8</u>
	Other comprehensive income				
8360	Items that may be reclassified to profit or loss subsequently:				
8361	Exchange difference arising from translation of the financial statements of foreign operations	( 9,154 )	-	122,288	2
8300	Other comprehensive income (net of tax) for the year	( 9,154 )	-	122,288	2
8500	Total comprehensive income for the year	<u>\$ 130,816</u>	<u>2</u>	<u>\$ 551,433</u>	<u>10</u>
	Net income attributed to				
8610	Owners of the Company	\$ 128,985	2	\$ 401,977	7
8620	Non-controlling interests	10,985	-	27,168	1
8600		<u>\$ 139,970</u>	<u>2</u>	<u>\$ 429,145</u>	<u>8</u>
	Total comprehensive income attributed to				
8710	Owners of the Company	\$ 117,718	2	\$ 554,499	10
8720	Non-controlling interests	13,098	-	( 3,066 )	-
8700		<u>\$ 130,816</u>	<u>2</u>	<u>\$ 551,433</u>	<u>10</u>
	Earnings per share (Note 28)				
	From continuing operations				
9710	Basic	<u>\$ 1.98</u>		<u>\$ 6.16</u>	
9810	Diluted	<u>\$ 1.97</u>		<u>\$ 6.14</u>	

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

Chairman: Hsu, Chi-Feng

Manager: Eu, Ricky

Accounting Supervisor: Chien, Yi-Ling

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Lemtech Holdings Co., Limited and its subsidiaries  
Consolidated Statement of Changes in Equity  
For the years ended December 31, 2025 and 2024

Units: NT\$1,000

		Equity attributable to the owners of the Company					Other equity				
		Share capital		Retained earnings			Exchange difference arising from translation of the financial statements of foreign operations	Unearned employee remuneration	Total	Non-controlling interests	Total equity
Code		Number of shares (in thousands)	Amount	Capital surplus	Special reserve	Unappropriated earnings					
A1	Balance on January 1, 2024	62,193	\$ 621,928	\$ 1,462,967	\$ -	\$ 1,389,191	( \$ 59,066 )	\$ -	\$ 3,415,020	\$ 101,774	\$ 3,516,794
	2023 earnings allocation and distribution										
B3	Provision of special reserve	-	-	-	59,066	( 59,066 )	-	-	-	-	-
B5	The Company's cash dividends to shareholders	-	-	-	-	( 154,302 )	-	-	( 154,302 )	-	( 154,302 )
I1	Conversion of convertible bonds	-	6	94	-	-	-	-	100	-	100
M3	Disposal of subsidiaries	-	-	-	-	-	-	-	-	( 7,918 )	( 7,918 )
D1	2024 net income	-	-	-	-	401,977	-	-	401,977	27,168	429,145
D3	Other comprehensive income after tax for 2024	-	-	-	-	-	152,522	-	152,522	( 30,234 )	122,288
D5	Total comprehensive income for 2024	-	-	-	-	401,977	152,522	-	554,499	( 3,066 )	551,433
Z1	Balance as of December 31, 2024	62,193	621,934	1,463,061	59,066	1,577,800	93,456	-	3,815,317	90,790	3,906,107
	2024 earnings allocation and distribution										
B3	Special reserve	-	-	-	-	-	-	-	-	-	-
B5	The Company's cash dividends to shareholders	-	-	-	-	( 59,874 )	-	-	( 59,874 )	-	( 59,874 )
B9	Stock dividends for the Company's shareholders	3,110	31,097	-	-	( 31,097 )	-	-	-	-	-
N1	Issuance of new restricted stock units	1,790	17,900	119,841	-	-	-	( 137,741 )	-	-	-
N1	Share-based payment transactions	-	-	-	-	-	-	4,592	4,592	-	4,592
M5	Part of the equity of subsidiaries acquired (Note 32)	-	-	4,230	-	-	-	-	4,230	( 74,183 )	( 69,953 )
D1	2025 net Income	-	-	-	-	128,985	-	-	128,985	10,985	139,970
D3	Other comprehensive income after tax for 2025	-	-	-	-	-	( 11,267 )	-	( 11,267 )	2,113	( 9,154 )
D5	Total comprehensive income for 2025	-	-	-	-	128,985	( 11,267 )	-	117,718	13,098	130,816
Z1	Balance as of December 31, 2025	67,093	\$ 670,931	\$ 1,587,132	\$ 59,066	\$ 1,615,814	\$ 82,189	( \$ 133,149 )	\$ 3,881,983	\$ 29,705	\$ 3,911,688

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

Chairman: Hsu, Chi-Feng  
Manager: Eu, Ricky  
Accounting Supervisor: Chien, Yi-Ling

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)  
Lemtech Holdings Co., Limited and its subsidiaries  
Consolidated Statement of Cash Flows  
For the years ended December 31, 2025 and 2024

Units: NT\$1,000

Code		2025	2024
	Cash flow from operating activities		
A00010	Net income before tax from continuing operations	\$ 306,761	\$ 518,699
A00020	Net (loss) income before tax of the discontinued operation	( <u>73,175</u> )	<u>15,313</u>
A10000	Net profit before tax for the year	<u>233,586</u>	<u>534,012</u>
A20010	Income/expense items		
A20100	Depreciation expense	466,468	414,642
A20200	Amortization expenses	6,228	7,867
A20300	Expected credit impairment loss (reversal gain)	4,502	( 16,272 )
A20400	Net gains on financial assets and liabilities at fair value through profit or loss	( 1,308 )	-
A20900	Financial cost	88,338	73,532
A21200	Interest revenue	( 36,499 )	( 42,691 )
A21900	Cost of share-based remuneration	4,592	-
A22300	Share of profit or loss of associates and joint ventures accounted for using the equity method	-	832
A22500	Loss from disposal of property, plant and equipment	17,318	2,756
A22900	Lease modification gain	( 171 )	-
A23000	Loss on disposal of non-current assets held for sale	305	-
A23200	Loss on disposal of investments accounted for using the equity method	-	10,538
A23700	Inventory devaluation and obsolescence losses	42,581	1,046
A23700	Impairment loss on property, plant and equipment	-	4,809
A23700	Impairment loss on non-current assets held for sale	125,591	-
A24100	Net foreign exchange loss (gain)	13,412	( 9,392 )
A29900	Losses of the subsidiary	-	23,116
A29900	Impairment loss on investments under the equity method	-	8,610
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	38,200	( 108,369 )
A31150	Accounts receivable	( 463,398 )	( 215,578 )
A31180	Other receivables	( 16,204 )	( 76 )
A31200	Inventory	( 268,564 )	( 190,423 )
A31230	Prepayment	( 124,855 )	( 37,113 )
A31240	Other current assets	( 23,433 )	( 1,943 )
A32125	Contract liabilities	( 13,056 )	57,512
A32130	Notes payable	( 88,492 )	( 8,293 )
A32150	Accounts payable	\$ 356,521	\$ 262,454
A32180	Other payables	36,099	10,750
A32230	Other current liabilities	37,525	( 2,348 )
A33000	Cash generated from operations	435,286	779,978
A33300	Interest paid	( 74,903 )	( 62,693 )

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Code		2025	2024
A33500	Income tax paid	( 85,517 )	( 60,410 )
AAAA	Net cash inflow from operating activities	<u>274,866</u>	<u>656,875</u>
	Cash flow from investing activities		
B00040	Acquisition of financial assets at amortized cost	( 150,722 )	-
B00050	Disposal of financial assets measured at amortized cost	-	184,147
B00100	Acquisition of financial assets at fair value through profit or loss	( 93,904 )	-
B01900	Net cash inflow from disposal of associates	-	27,988
B02300	Net cash inflow (outflow) from disposal of subsidiaries	28,277	( 6,684 )
B02700	Acquisition of property, plant and equipment	( 507,249 )	( 466,464 )
B02800	Proceeds from disposal of property, plant and equipment	18,044	16,317
B02500	Acquisition of non-current assets held for sale	( 1,055 )	-
B03700	Increase in refundable deposits	( 5,814 )	( 8,443 )
B04500	Acquisition of intangible assets	( 4,483 )	( 2,570 )
B07100	Increase in prepayments for equipment	-	( 89,983 )
B07500	Interest received	<u>36,499</u>	<u>42,691</u>
BBBB	Net cash outflow from investing activities	( 680,407 )	( 303,001 )
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	231,737	208,360
C01300	Redemption of corporate bonds	-	( 18,000 )
C01600	Long-term borrowings	18,451	28,217
C03000	Guarantee deposits received	-	3,199
C03100	Guarantee deposits returned	( 267 )	-
C04020	Repayment of lease liability principal	( 105,563 )	( 87,313 )
C04500	Payment of dividends to owners of the Company	( 85,629 )	( 108,218 )
C05400	Acquisition of subsidiary shares	( 69,953 )	-
CCCC	Net cash inflow (outflow) from financing activities	( 11,224 )	<u>26,245</u>
DDDD	Impact of exchange rate changes on cash and cash equivalents	( 52,387 )	<u>75,927</u>
EEEE	Net (decrease) increase in cash and cash equivalents	( 469,152 )	456,046
E00100	Balance of cash and cash equivalents at the beginning of the year	<u>1,915,075</u>	<u>1,459,029</u>
E00200	Cash and cash equivalents at year-end	<u>\$ 1,445,923</u>	<u>\$ 1,915,075</u>
E00210	Cash and cash equivalents on the balance sheet	\$ 1,395,888	\$ 1,915,075
E00212	Cash and cash equivalents classified as non-current assets held for sale	<u>50,035</u>	-
E00200	Total closing cash and cash equivalents balance	<u>\$ 1,445,923</u>	<u>\$ 1,915,075</u>

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

Chairman: Hsu, Chi-Feng

Manager: Eu, Ricky

Financial Manager: Chien, Yi-Ling

## Attachment 4.

### 2025 Annual Profit Distribution Table

#### Lemtech Holdings Co., Limited Annual Profit Distribution Table 2025

Unit: NTD	
Item	Amount
Opening undistributed earnings (2025.01.01)	1,546,705,011
Less: Adjusted retained earnings for investments accounted for using the equity method	0
Less: Treasury Stock Retired	0
Add: 1Q25Net profit after tax	70,566,903
Add: 2Q25Net profit after tax	41,741,220
Add: 3Q25Net profit after tax	66,042,323
Add: 4Q25Net profit after tax	(49,366,258)
Less: 1Q25Special reserve	0
Less: 2Q25Special reserve	(217,726,770)
Less: 3Q25Special reserve	183,363,788
Less: 4Q25Special reserve	34,362,982
Earnings to be distributed	1,675,689,199
Less:1Q25Cash Dividends to Common Share Holders	(27,987,043)
Less:2Q25 Cash Dividends to Common Share Holders	(11,558,649)
Less:3Q25 Cash Dividends to Common Share Holders	(20,329,209)
Less:4Q25Cash Dividends to Common Share Holders	0
Closing undistributed earnings	1,615,814,298

Chairman	Hsu, Chi-Feng
Manager	Eu, Ricky
Financial Manager	Chien, Yi-Ling

## Attachment 5

### Comparison Table of the "Memorandum and Articles of Association" before and after the Amendments

Article	Amended Content	Original Content	Explanation
Article 19, Paragraph 1	Upon the approval of a majority of the Board present at a Board meeting attended by two-thirds or more of Directors, the Company may repurchase its own Shares in the manner authorised by the Law and the Applicable Listing Rules. Any Shares so repurchased shall be deemed cancelled immediately.	Upon the approval of a majority of the Board present at a Board meeting attended by two-thirds or more of Directors, the Company may repurchase its own Shares in the manner authorised by the Law and the Applicable Listing Rules. <del>Any Shares so repurchased shall be deemed cancelled immediately.</del>	Amended based on practical operational requirements of the Company.
Article 94-2	...Omitted. The dividend policy of the Company is in consideration of the stable development, sustainable development, funding needs, sound financial structure and protection of shareholder interests of the Company and therefore the ratio of dividends to Members shall not be less than 10% of the distributable earnings surplus, and the distribution can be made in cash or in stock. In the event that the Company has no accumulated loss, the Company may consider the finance, business and operation aspects of the Company and distribute all or part of the Legal Reserve and Capital Reserve pursuant to the Law and regulations prescribed by the competent authorities.	...Omitted. The dividend policy of the Company is in consideration of the stable development, sustainable development, funding needs, sound financial structure and protection of shareholder interests of the Company and therefore the ratio of dividends to Members shall not be less than 10% of the distributable earnings surplus, and the distribution can be made in cash or in stock <del>where the amount of cash dividends distributed thereupon shall not be less than 50% of the total amount of dividends.</del> In the event that the Company has no accumulated loss, the Company may consider the finance, business and operation aspects of the Company and distribute all or part of the Legal Reserve and Capital Reserve pursuant to the Law and regulations prescribed by the competent authorities.	Amended based on practical operational requirements of the Company.

## Attachment 6:

### Comparison Table of the "Procedures for Acquisition or Disposal of Assets" before and after the Amendments

Article	Amended Content	Original Content	Explanation
Article 4 Subparagraph 5	Total assets: Shall be calculated based on the total asset amount in the most recent parent company only or individual financial reports prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers; <b><u>where the company's shares (including subsidiaries) have no par value or a par value per share other than NT\$10, the provision in these Regulations regarding a transaction amount reaching 20% of paid-in capital shall be calculated as 10% of the equity attributable to owners of the parent; the provision regarding a transaction amount reaching 5% of paid-in capital shall be calculated as 2.5% of the equity attributable to owners of the parent.</u></b>	Total assets: Shall be calculated based on the total asset amount in the most recent parent company only or individual financial reports prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.	Amended in accordance with FSC Securities Division Notice No. 1140383333
Article 5	8. Except as otherwise provided in the preceding regulations, the following provisions shall apply: (1) For the acquisition or disposal of securities on <b><u>domestic or foreign</u></b> centralized trading markets or over-the-counter (OTC) markets, the price shall be determined by the prevailing price of the equities, bonds, or fund units at the time of the transaction. (2) For the acquisition or disposal of securities not on	8. Except as otherwise provided in the preceding regulations, the following provisions shall apply: (1) For the acquisition or disposal of securities on centralized trading markets or OTC markets, the price shall be determined by the prevailing price of the equities, bonds, or fund units at the time of the transaction. (2) For the acquisition or disposal of securities not on	Revision of paragraph descriptions.

Article	Amended Content	Original Content	Explanation
	<p><b><u>domestic or foreign</u></b> centralized trading markets or OTC markets, the price shall be negotiated after considering the net value per share, technical value, profitability, future development potential, market interest rates, bond coupon rates, debtor's creditworthiness, market conditions, and fund performance ratings, and with reference to the most recent transaction price.</p> <p>(3) For the acquisition or disposal of real property <b><u>or its right-of-use assets</u></b>, the price shall be negotiated with reference to the publicly announced current value, appraised current value, and actual transaction prices of neighboring real properties. If real property is purchased from a related party, the price shall be calculated in accordance with the methods set forth in Chapter II of these Procedures to evaluate the reasonableness of the transaction price.</p>	<p>centralized trading markets or OTC markets, the price shall be negotiated after considering the net value per share, technical value, profitability, future development potential, market interest rates, bond coupon rates, debtor's creditworthiness, market conditions, and fund performance ratings, and with reference to the most recent transaction price.</p> <p>(3) For the acquisition or disposal of real property, the price shall be negotiated with reference to the publicly announced current value, appraised current value, and actual transaction prices of neighboring real properties. If real property is purchased from a related party, the price shall be calculated in accordance with the methods set forth in Chapter II of these Procedures to evaluate the reasonableness of the transaction price.</p>	
Article 16	<p><b><u>5. Finance and accounting personnel shall regularly reconcile transaction details and aggregate amounts with the transaction banks.</u></b></p> <p><b><u>6. Personnel responsible for placing trade orders shall monitor the total transaction amount at all times to ensure it does not exceed the limits stipulated in these Procedures; and shall notify relevant personnel to perform follow-up operations upon completion of transactions.</u></b></p> <p><b><u>7.</u></b> Other important risk management measures.</p>	<p>5. Other important risk management measures.</p>	<p>Addition of risk control paragraphs.</p>

## Attachment 7:

### Comparison Table of the " Procedures for Lending Funds to Other Parties" before and after the Amendments

Article	Amended Content	Original Content	Explanation
<p>Article 2 Paragraph 2</p>	<p>(2) For companies or firms with a need for short-term financing, the total amount of such loans shall not exceed 40% of the Company's net worth; the limit for loans to a single entity shall not exceed 40% of the Company's net worth.</p> <p>For loans of funds between foreign companies in which the Company directly and indirectly holds 100% of the voting shares, the total amount of such loans shall not exceed 100% of the <b><u>lending company's</u></b> net worth; the limit for loans to a single entity shall not exceed 100% of the <b><u>lending company's</u></b> net worth.</p> <p>For loans of funds by foreign companies in which the Company directly and indirectly holds 100% of the voting shares to the Company, the total amount of such loans shall not exceed 100% of said foreign company's net worth, and the loan term shall not exceed three years; the limit for loans to a single entity shall not exceed 100% of said foreign company's net worth, and the loan term shall not exceed three years.</p> <p>...Omitted.</p>	<p>(2) For companies or firms with a need for short-term financing, the total amount of such loans shall not exceed 40% of the Company's net worth; the limit for loans to a single entity shall not exceed 40% of the Company's net worth.</p> <p>For loans of funds between foreign companies in which the Company directly and indirectly holds 100% of the voting shares, the total amount of such loans shall not exceed 100% of the Company's net worth; the limit for loans to a single entity shall not exceed 100% of the Company's net worth.</p> <p>For loans of funds by foreign companies in which the Company directly and indirectly holds 100% of the voting shares to the Company, the total amount of such loans shall not exceed 100% of said foreign company's net worth, and the loan term shall not exceed three years; the limit for loans to a single entity shall not exceed 100% of said foreign company's net worth, and the loan term shall not exceed three years.</p> <p>...Omitted.</p>	<p>Amended in accordance with FSC Securities Division Notice No. 1140383333</p>

## Appendix 1.

### **Memorandum and Articles of Association**

THE COMPANIES ACT (REVISED)

COMPANY LIMITED BY SHARES

#### **FIFTEENTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION**

**OF Lemtech Holdings Co., Limited**

(as adopted by a Special Resolution passed on 28 May, 2025)

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1. The name of the company is Lemtech Holdings Co., Limited.
2. (1) The registered office of the Company shall be at the offices of Quality Corporate Services Ltd., Suite 102, Cannon Place, P.O. Box 712, North Sound Rd., Grand Cayman, KY1-9006 Cayman Islands, or at such other place within the Cayman Islands as the Board may from time to time decide.
  - (2) The Company may set up branch offices as deemed necessary for its business operations.
  - (3) The establishment, dissolution and change of status of branches as referred to in the preceding paragraph shall be decided by the Board from time to time.
3. Subject to the following provisions of this Memorandum of Association, the objects for which the Company is established are unrestricted.
4. Subject to the following provisions of this Memorandum of Association, the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of the Companies Law of the Cayman Islands (as amended from time to time).
5. Nothing in this Memorandum of Association shall permit the Company to carry on a business for which a licence is required under the laws of the Cayman Islands unless duly licenced.
6. The Company shall not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this clause shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
7. The liability of each member is limited to the amount from time to time unpaid on such member's shares.
8. The share capital of the Company is NT\$1,000,000,000 divided into 100,000,000 shares of a nominal or par value of NT\$10 each. provided always that subject to the provisions of the Companies act (revised) and the Articles of Association the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be ordinary, preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

The Company may invest in other enterprises as deemed necessary for its business operations, and may, upon the approval of the Board, act as a shareholder with limited liability of another company, and its total amount of investments in other enterprises may exceed 40% of the amount of its own paid-up capital without being subject to the requirement set out in Paragraph 2, Article 13 of Company Act of the R.O.C..

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THE COMPANIES ACT (REVISED)

COMPANY LIMITED BY SHARES

**FIFTEENTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION  
OF Lemtech Holdings Co., Limited**

(as adopted by a Special Resolution passed on 28 May, 2025)

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**INTERPRETATION**

1. The Regulations contained or incorporated in Table A of the First Schedule of the Companies act (revised) of the Cayman Islands (as amended from time to time) shall not apply to this Company.

2. (1) In these Articles the following terms shall have the meanings set opposite unless the context otherwise requires:

Applicable Listing Rules	the relevant laws, regulations, rules and code as amended, from time to time, applicable as a result of the original and continued trading or listing of any Shares on any Taiwan stock exchange or securities market, including, without limitation the relevant provisions of Securities and Exchange Act of the R.O.C., Company Act of the R.O.C., the Acts Governing Relations Between Peoples of the Taiwan Area and the Mainland Area of the R.O.C., or any similar statute and the rules and regulations of the R.O.C. authorities thereunder, and the rules and regulations promulgated by the Financial Supervisory Commission, the Taipei Exchange or the Taiwan Stock Exchange;
Articles	these Articles of Association of the Company, as amended or substituted from time to time by Special Resolution;
Audit Committee	has the meaning set forth in Article 69;
Remuneration Committee	has the meaning set forth in Article 65-1;
Board	the board of Directors of the Company comprising all the Directors;
Business Day	means a day (other than a Saturday or Sunday) on which banks are generally open in Taiwan for normal business;
Capital Reserve	means (1) the Share Premium Account, (2) income from endowments received by the Company and (3) other items required to be treated as Capital Reserve pursuant to the Applicable Listing Rules;
Chairman	has the meaning given thereto in Article 63;
Class or Classes	any class or classes of Shares as may from time to time be issued by the Company;

Commission	Financial Supervisory Commission of the R.O.C. or any other authority for the time being administering the Securities and Exchange Act of the R.O.C.;
Company	Lemtech Holdings Co., Limited;
Consolidation	the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies in the consolidated company within the meaning of the Law and the Applicable Listing Rules;
Director	a director of the Company for the time being who collectively form the Board, and "Directors" means 2 or more of them;
Electronic	has the meaning given to it in the Electronic Transactions Law (as amended) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefore;
Electronic Communication	means transmission to any number, address or internet website or other electronic delivery methods as otherwise decided and approved by not less than two-thirds (2/3) of the vote of the Board;
Emerging Market	the emerging market board of the Taipei Exchange in the R.O.C.;
Financial Statements	has the meaning set out in Article 98;
Taipei Exchange or TPEx	the Taipei Exchange in the R.O.C.;
Independent Director	those Directors appointed as "Independent Directors" pursuant to the requirements of the Applicable Listing Rules;
Juristic Person	a firm, corporation, union, association, government agency or other organization which is recognised by the Law and the Applicable Listing Rules as a legal entity;
Law	the Companies act (revised) of the Cayman Islands and any amendment or other statutory modification thereof and every other act, order, regulation or other instrument having statutory effect (as amended from time to time) for the time being in force in the Cayman Islands applying to or affecting the Company, the Memorandum of Association and/or these Articles, and where in these Articles any provision of the Law is referred to, the reference is to that provision as modified by any law for the time being in force;
Member or Shareholder	a Person who is duly registered as the holder of any Share or Shares in the Register and includes each subscriber to the Memorandum of Association pending entry in the Register of such subscriber and "Members" or "Shareholders" means 2 or more of them;
Memorandum of Association	the memorandum of association of the Company, as amended or

	substituted from time to time;
Merger	the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such company as the surviving company within the meaning of the Law;
Month	a calendar month;
NT\$	New Taiwan Dollars;
Ordinary Resolution	a resolution passed by a simple majority of the Members present at a general meeting who represent more than one-half of the total outstanding Shares of the Company;
Person	any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires;
Preferred Shares	has the meaning given thereto in Article 4;
Preferred Shareholders	has the meaning given thereto in Article 5;
Preferred Dividends	has the meaning given thereto in Article 5;
Private placement	has the meaning given thereto in Article 5;
Preferred Dividends	has the meaning given thereto in Article 5;
Private placement	an offer by the Company of its securities to specific persons pursuant to the Applicable Listing Rules;
Register	the register of Members of the Company to be maintained at such place within or outside the Cayman Islands;
Registered Office	the registered office of the Company for the time being as required under the Law;
Relevant Period	the period commencing from the date on which any of the securities of the Company registered in the Emerging Market or first become listed on the TPEX, TWSE or any Taiwan stock exchange or securities market to and including the date immediately before the day on which none of such securities are so listed (and so that if at any time listing of any such securities is suspended for any reason whatsoever and for any length of time, they shall nevertheless be treated, for the purpose of this definition, as listed);
R.O.C. or Taiwan	the Republic of China, its territories, its possessions and all areas subject to its jurisdiction;
R.O.C. Courts	the Taiwan Taipei District Court or any other competent courts in the R.O.C.;

R. O. C. Laws	the laws and regulations of the R.O.C., including without limitation to the Applicable Listing Rules;
Seal	the common seal of the Company;
Secretary	any Person for the time being appointed by the Directors to perform any of the duties of the secretary of the Company and including any assistant, deputy, acting or temporary secretary;
Share	a share in the capital of the Company. All references to "Shares" herein shall be deemed to be Shares of any or all Classes as the context may require. For the avoidance of doubt in these Articles the expression "Share" shall include a fraction of a Share;
Share Exchange	means that the Company transfers all its issued shares to another company in exchange for shares, cash or other assets of the other company as the consideration for shareholders of the Company;
Share Premium Account	the share premium account established in accordance with these Articles and the Law;
Shareholders' Service Agent	the agent licensed by the R.O.C. authorities and having its offices in the R.O.C. to provide shareholder services, in accordance with the Applicable Listing Rules, to the Company;
signed	includes representation of a signature affixed by mechanical means or an electronic symbol or process;
Special Reserve	has the meaning set out in Article 91;
Special Resolution	<p>a special resolution of the Company passed in accordance with the Law, being a resolution passed by a majority of not less than two-thirds of Members as, being entitled to do so, vote in person or by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given, and such general meeting attended by the Members representing more than one-half of the outstanding shares of the Company.</p> <p>A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles;</p>
Spin-off	an act wherein a transferor company transfers all of its independently operated business or any single independently operated business to an existing or a newly incorporated company as consideration for that existing transferee company or newly incorporated transferee company to issue new shares to the transferor company or to shareholders of the transferor company;
Subordinate Company	companies (i) of which a majority of the total outstanding voting shares or the total amount of the capital stock is held by the Company; (ii) in which the Company has a direct or indirect

control over the management of the personnel, financial or business operation of that company; (iii) of which a majority of directors in such company are contemporarily acting as directors in the Company; or (iv) of which a majority of the total outstanding voting shares or the total amount of the capital stock of such companies and the Company are held by the same Members; and

TWSE the Taiwan Stock Exchange Corporation.

- (2) Unless the context otherwise requires, expressions defined in the Law and used herein shall have the meanings so defined.
- (3) In these Articles unless the context otherwise requires:
  - (a) words importing the singular number shall include the plural number and vice-versa;
  - (b) words importing the masculine gender shall include the feminine gender and neuter genders;
  - (c) a notice provided for herein shall be in writing unless otherwise specified and all reference herein to "in writing" and "written" shall include printing, lithography, photography and other modes of representing or reproducing words in permanent visible form; and
  - (d) "may" shall be construed as permissive and "shall" shall be construed as imperative.
- (4) Headings used herein are intended for convenience only and shall not affect the construction of these Articles.

### SHARES

3. Subject to the Law and these Articles, the Board may, in respect of all Shares for the time being unissued:
  - (1) offer, issue, allot and dispose of such Shares to such Persons, in such manner, on such terms and having such rights and being subject to such restrictions as they may from time to time determine; and
  - (2) grant options with respect to such Shares and issue warrants or similar instruments with respect thereto, in accordance with the provisions of the Law and the Applicable Listing Rules; and, for such purposes, the Board may reserve an appropriate number of Shares for the time being unissued.
- 3-1. The Directors may authorise the division of Shares into any number of Classes and the different Classes shall be authorised, established and designated (or re-designated as the case may be) and the variations in the relative rights (including, without limitation, voting, dividend and redemption rights), restrictions, preferences, privileges and payment obligations as between the different Classes (if any) shall be fixed and determined by Directors.
4. The Company, subject to these Articles including by approval of a Special Resolution adopted at a general meeting in accordance with Article 5, may issue Shares of different classes with rights which are preferential or inferior to those of ordinary Shares issued by the Company ("**Preferred Shares**") with the approval of a majority of the Board present at a meeting attended by two-thirds or more of the total number of the Directors.
5. The issuance of any Preferred Shares approved pursuant to the preceding Article shall cause to be set forth in these Articles. The rights and obligations of the Preferred Shares include but are not limited to the following terms:
  - (a) The dividend rate of Preferred Shares is capped at 8% per annum on the issue price per share. Cash dividends shall be distributed annually at one time. Once the Company's audited financial reports have been acknowledged in the annual general meeting, the Board of Directors shall set the record date for the distribution of Preferred Dividends of such financial year. In the year of issuance and redemption of the Preferred Shares, the distribution of Preferred Dividends shall be calculated on the basis of actual number of days the Preferred Shares being outstanding in that year. Except for the foregoing Preferred Dividends, the holders of the Preferred Shares ("Preferred Shareholders") are not entitled to participate in the distribution of cash or stock dividends derived from earnings or capital reserves;
  - (b) The Company has sole discretion on the distribution of Preferred Dividends. In the event that there are no profits or insufficient profits for distributing Preferred Dividends, or due to other necessary

considerations, the suspension of distributing Preferred Dividends shall not be deemed as an event of default under any agreements and directions in relation to the issuance of such Preferred Shares. The Preferred Shares issued by the Company shall be non-cumulative preferred shares. Any undistributed Preferred Dividends or shortfalls in Preferred Dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings;

- (c) Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, any surplus assets of the Company available for distribution to shareholders shall be first distributed to the Preferred Shareholders. All Preferred Shareholders shall rank *pari passu* and such distribution shall be capped at the respective issue amount;
- (d) The Preferred Shareholders shall have no voting rights and no rights to vote on election of directors in a general meeting. Notwithstanding the foregoing, the Preferred Shareholders shall have voting rights in a separate meeting of the Preferred Shares in accordance with Article 15;
- (e) Preferred Shares are not convertible to common shares. Preferred Shareholders have no right to request the Company to redeem the preferred shares they hold; and
- (f) Preferred Shares have no maturity date. Notwithstanding the foregoing, subject to compliance with the Companies Law, the Company may, upon the approval by the Board of Directors, redeem all or a part of the outstanding issued Preferred Shares, at any time on the next business day after five years of issuance, at the original issue price and on such terms as the Board of Directors may approve. The rights and obligations set forth in the foregoing paragraphs shall remain unchanged to the unredeemed Preferred Shareholders.

5-1 The Board of Directors is authorized to determine the name, issuance date and specific issuance terms of Preferred Shares upon actual issuance after considering the situation of capital market and the willingness of investors in accordance with the Articles, applicable public company rules, Companies Law and other applicable laws and regulations.

6.(1) The issue of new ordinary Shares in the Company shall be approved by a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors. The issue of new Shares shall at all times be subject to the sufficiency of the authorised capital of the Company. The Company shall not issue any unpaid Shares or partial paid-up Shares.

(2) The Company shall not convert the Shares into par value shares if the Company chooses to issue no par value shares.

7. The Company may issue Shares without printing share certificates. Any share certificate of the Company, if any, shall not be the bearer certificate.

8. During the Relevant Period, if at anytime the Board resolves to issue new Shares :

(a) Upon each issuance of new Shares, the Board may reserve not more than fifteen percent (15%) of the new Shares for subscription by the employees of the Company and its subsidiaries, as determined by the Board in its reasonable discretion;

(b) The Company, unless otherwise resolved by Ordinary Resolution, shall after reserving the portion of Shares for subscription by its employees and for public offering in the R.O.C. pursuant to these Articles, first offer such remaining new Shares, by a public announcement according to the Applicable Listing Rules and a written notice to each existing Member for their subscription in proportion to the number of Shares held by it;

(c) The Company shall state in such written notice that if a subscriber delays payment for shares as provided in the preceding paragraph, the Company shall fix a period of not shorter than one month and call upon such subscriber to pay up, declaring that in case of default of payment within the stipulated period his right shall be forfeited. After the Company has made the aforesaid call, the subscriber who fails to pay accordingly shall forfeit his right and the shares subscribed to by him shall be otherwise sold. The Company may still be claimed against such defaulting subscriber for compensation for loss or damage, if any;

(d) Where any fractional Share held by a Member is insufficient to subscribe for one new Share, the fractional Shares being held by several Members may be combined for joint subscription of one or more integral new Shares or for subscription of new Shares in the name of a single Member;

- (e) New Shares left unsubscribed by existing Members may be offered for public issuance or the Board may be authorised to offer such Shares for subscription by specific Persons through negotiation; and
  - (f) The right to subscribe for new Shares, except those reserved for subscription by employees, may be separated from the rights in original Shares and transferable independently.
9. The employees' and Members' right to subscribe for new Shares prescribed under the preceding Article shall not apply in the event that new Shares are issued for the following purpose:
- (a) in connection with a Merger/Consolidation, the Spin-off of the Company, or pursuant to any reorganization of the Company;
  - (b) in connection with meeting the Company's obligation under Share subscription warrants and/or options granted to the employees;
  - (c) in connection with meeting the Company's obligation under corporate bonds which are convertible bonds or vested with rights to acquire Shares;
  - (d) in connection with meeting the Company's obligation under Share subscription warrant or Preferred Shares vested with rights to acquire Shares;
  - (e) in connection with any Share Exchange entered into by the Company, or
  - (f) in connection with any other limitation, prohibition, restriction or exemption under the Applicable Listing Rules or R. O. C. Laws.
- 9-1. Subject to the regulations governing public companies and the Cayman Companies Act, the Company may, by a special resolution of the shareholders' meeting, issue new shares with restricted employee rights (hereinafter referred to as "Restricted Stock") to employees of the Company and its subsidiaries. The conditions for issuing Restricted Stock, including but not limited to the number of shares, issue price, issuance conditions, and other related matters, shall comply with public company regulations. If an employee fails to meet the vesting conditions specified in the issuance plan, the Company may repurchase the issued Restricted Stock in accordance with Article 19.
10. During the Relevant Period, where the Company increases its issued share capital in cash, the Company shall allocate 10% of the total amount of the new Shares to be issued for offering in the R.O.C. to the public unless the Commission, or the TPEX or the TWSE considers the aforementioned public offering unnecessary or inappropriate for the Company to conduct. Provided however, if a %age higher than the aforementioned 10% is approved by an Ordinary Resolution to be offered, the %age determined by such resolution shall prevail.
11. Subject to the Applicable Listing Rules, the Company may, upon adoption of a resolution by a majority of the Board present at a meeting of the Board attended by two-thirds or more of the total number of Directors, enter into a share subscription right agreement with its employees whereby the employees may subscribe, within a specific period of time, for a specific number of Shares of the Company. Upon execution of the said agreement, the Company shall issue to each employee a share subscription warrant. The share subscription warrant obtained by any employee of the Company shall be non-assignable, except to the heir(s) of the said employee.
12. (1) The Company may by a Special Resolution reduce its share capital in the manner authorised, and subject to any conditions prescribed, by the Law and the Applicable Listing Rules. During the Relevant Period, a capital reduction shall be effected based on the %age of shareholding of the Members pro rata, unless otherwise provided for in the Law or the Applicable Listing Rules.
- (2) The Company shall, upon adoption of such resolution of capital reduction, prepare a balance sheet and an inventory of property, and then give a notice to each creditor of the Company as well as a public notice of such resolution, and shall fix a time limit of not less than thirty (30) days within which the creditors may raise their objections, if any, to such resolution.
- (3) The Company may reduce its share capital by using property, in addition to cash, to return capital contributions; the returned property and the offsetable amount for the returned property shall be decided by Ordinary Resolution, and approved by the Member(s) receiving such Property.
- (4) During the Relevant Period, the Board shall have the value of the returned property and the offsetable amount referred to in the preceding paragraph audited and certified by a certified public accountant in Taiwan prior to the general meeting.
13. During the Relevant Period, any issuance, conversion, capitalisation or cancellation of the Shares or any other equity securities (including but not limited to warrants, options or bonds) shall comply with the Applicable Listing Rules and the Law.

14. During the Relevant Period, the shareholder services of the Company should comply with the Regulations Governing the Administration of Shareholder Services of Public Companies of the R.O.C.

#### **MODIFICATION OF RIGHTS**

15. Whenever the share capital of the Company is divided into different classes of shares, including where Preferred Shares are issued, in addition to a Special Resolution, the special rights attached to any class shall be varied or abrogated with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of such class. To every such separate general meeting and all adjournments thereof, all the provisions of these Articles relating to general meetings of the Company and to the proceedings thereat shall mutatis mutandis apply.
16. 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 materially adversely varied or abrogated by, inter alia, the creation, allotment or issue of further Shares ranking pari passu with or subsequent to them or the redemption or purchase of Shares of any Class by the Company.

#### **REGISTERS**

17. The Board shall cause to be kept the Register and, during the Relevant Period, there shall be entered therein the particulars required under the Law and the Applicable Listing Rules, and the Register shall be made available at its Shareholders' Service Agent's office in the R.O.C.

#### **DELIVERY OF SHARES**

18. (1) During the Relevant Period, the Company shall deliver, or shall cause its Shareholders' Service Agent to deliver Shares by book-entry transfer to the subscribers within thirty (30) days from the date such Shares may be issued or delivered pursuant to the Law and the Applicable Listing Rules. The Company shall make a public announcement in accordance with the Applicable Listing Rules prior to the delivery of such Shares.
- (2) For the new Shares to be issued by the Company, the Company may print a consolidated share certificate representing the total number of the new Shares to be issued at the same time of issue, in accordance with the Law, provided that the share certificate to be issued shall be placed under the custody of a centralized securities custody enterprise.

#### **REPURCHASE OF SHARES**

19. (1) Upon the approval of a majority of the Board present at a Board meeting attended by two-thirds or more of Directors, the Company may repurchase its own Shares in the manner authorised by the Law and the Applicable Listing Rules. (including Restricted Stock and redeemable shares.) Any Shares so repurchased shall be deemed cancelled immediately.
- (2) The conditions, methods and procedures for repurchase of Shares by the Company according to the preceding Article shall comply with the Law and the Applicable Listing Rules.

#### **TREASURY SHARES**

- 19-1. Subject to the Law, the Applicable Listing Rules and these Articles, 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 Shareholder. For so long as the Shares are registered in the Emerging Market or listed on the Taipei Exchange or TWSE, the repurchase of the Shares by the Company shall be subject to the Applicable Listing Rules and the Cayman Islands law.
- 19-2. The Company is authorised to make payments in respect of the redemption of its shares out of the funds lawfully available (including out of capital) in accordance with the Law and the Applicable Listing Rules.
- 19-3. The redemption price of a redeemable Share, or the method of calculation thereof, shall be fixed by the Directors at or before issue of such Share. Subject to these Articles, every share certificate representing a redeemable share shall indicate that the share is redeemable.
- 19-4. Subject to the Applicable Listing Rules and Articles, and with the sanction of an Ordinary Resolution authorising the manner and terms of purchase, the Directors may on behalf of the Company purchase any share in the Company (including a redeemable share) by agreement with

the Shareholder or pursuant to the terms of the issue of the share and may make payments in respect of such purchase in accordance with the Law, the Applicable Listing Rules and the Ordinary Resolution authorizing the manner and terms of purchase.

- 19-5. The redemption price or repurchase price may be paid in any manner authorised by the Law and these Articles. A delay in payment of the redemption price or repurchase price shall not affect the redemption or repurchase but, in the case of a delay of more than thirty (30) days, interest shall be paid for the period from the due date until actual payment at a rate which the Directors, after due enquiry, estimate to be representative of the rates being offered by Class A banks in the Cayman Islands for thirty day deposits in the same currency.
- 19-6. The Company shall be entered into the Register as the holder of the Treasury Shares provided that:
- (a) the Company shall not be treated as a member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
  - (b) 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.

#### **FRACTIONAL SHARES**

- 19-7 Subject to these Articles, the Directors may issue fractions of a Share and, if so issued, a fraction of a Share shall be subject to and carry the corresponding fraction of liabilities (whether with respect to nominal or par value, premium, contributions, calls or otherwise), limitations, preferences, privileges, qualifications, restrictions, rights (including, without prejudice to the generality of the foregoing, voting and participation rights) and other attributes of a whole Share. If more than one (1) fraction of a Share of the same Class is issued to or acquired by the same Shareholder such fractions shall be accumulated.

#### **TRANSFER AND TRANSMISSION OF SHARES**

20. (1) Subject to the Law and the Applicable Listing Rules, Shares issued by the Company shall be freely transferable, provided that any Share subscribed by the employees of the Company may be subject to transfer restrictions for the period no longer than two years as the Board may determine in their discretion.
- (2) The Company may restrict its employees from transferring the Shares purchased by the Company and transferred to such employees for a specific period of time, but in no event shall such period exceed two (2) years.
- (3) The issuance of restricted Shares to employees by the Company shall be approved by one-half of the Members who are entitled to vote, at a general meeting attended by at least two-thirds of the total issued and outstanding Shares of the Company. In the event that the total number of shares present at such general meeting is less than the quorum specified in the preceding sentence, such issuance may be approved by Special Resolution.
- (4) In the event that the Company issues new Shares during the Relevant Period pursuant to the preceding paragraph, the number of Shares to be issued, the issuing price, the conditions of the issuance, and other related matters shall comply with the Applicable Listing Rules.
21. The Company shall not be obligated to recognize any transfer or assignment of Shares unless the name/title and residence/domicile of the transferor and transferee have been recorded in the Register.
- 21-1. The legal personal representative of a deceased sole holder of a Share shall be the only Person recognised by the Company as having any title to the Share. In the case of a Share registered in the name of two (2) or more holders, the survivors or survivor, or the legal personal representatives of the deceased, shall be the only Person recognised by the Company as having any title to the Share.

#### **CLOSING REGISTER OR FIXING RECORD DATE**

22. (1) The Board may fix in advance the record date(s) for (a) determining the Members entitled to receive any dividend, distribution or issue; (b) determining the Members entitled to receive notice(s) of, to attend at and to vote at any general meeting(s) (or any adjournment thereof) in person, by proxy, in writing or by way of electronic transmission; and (c) for any other reason needing to ascertain shareholders.
- (2) During the Relevant Period, the Register shall be closed at least for a period of sixty (60) days before the date of each annual general meeting, thirty (30) days before the date of each

extraordinary general meeting and five (5) days before the target date for a dividend, bonus or other interest distribution. For the purpose of calculating the abovementioned period, the respective convening date of general meeting or the applicable target date shall be included.

- (3) With respect to the foregoing target dates, the Board shall make public announcement on the website designated by the Commission and the TPEX or TWSE.

#### **GENERAL MEETINGS**

23. The Company shall in each year hold a general meeting as its annual general meeting within six months after close of each financial year. The annual general meeting shall be convened by the Board. The shareholder's meeting may be held through a video conference or other methods promulgated by the competent authorities of The Company Act of the R.O.C..
24. All general meetings other than annual general meetings shall be called extraordinary general meetings. The Board may, whenever they think fit, convene an extraordinary general meeting of the Company.
25. During the Relevant Period, all general meetings shall be held in the R.O.C.. If a general meeting is to be convened outside Taiwan per the resolution of the Board, the Company shall within two (2) days after the Board adopts such resolution, or, in the event of an extraordinary general meeting convened pursuant to Article 26, after the relevant Shareholders obtained the approval from the competent authority, apply for the approval of the Taipei Exchange or the TWSE.
26. (1) Any Member(s) holding at least three % (3%) of the outstanding Shares of the Company for a period of one consecutive year or a longer time may, by depositing the requisition notice specifying the proposals to be resolved and the reasons, request the Board to convene an extraordinary general meeting. If the Board does not give notice to Members to convene such meeting within fifteen (15) days after the date of the requisition notice, the proposing Member(s) may, after obtaining an approval from the competent authority, convene the general meeting.
- (2) Any Member(s) holding more than one-half of the outstanding Shares of the Company for a period of three consecutive months or a longer time may, convene an extraordinary general meeting. The calculation of the holding period and the number of Shares held by the abovementioned Member(s) shall be based on the holding at the time when share transfer registration is suspended.
27. (1) The Board or any authorized convener of the general meeting may require the Company or its Shareholders' Service Agent to provide the Register.
- (2) The Company shall engage a Shareholders' Service Agent within the R.O.C. to handle the administration of such general meeting, including but not limited to, the voting matters.

#### **NOTICE OF GENERAL MEETING**

28. (1) At least thirty (30) days notice in writing prior to the scheduled date of any annual general meetings and fifteen (15) days notice in writing prior to the scheduled date of any extraordinary general meeting shall be given to each Member. Every notice shall be exclusive of the day on which it is given and of the day on which the general meeting is to be held. Such notice shall specify the place, the day and the time of meeting and the agenda and the proposals to be resolved at the general meeting. The notice for a general meeting may be given by means of electronic communication if the Company obtains prior consent from each Member or as permitted by the Law and the Applicable Listing Rules.
- (2) The meeting notices, proxy forms, information pertaining to the proposals for adoption or discussion, or for the election or dismissal of the Director(s), and other matters shall be published thirty (30) days prior to the date of the scheduled general meeting or fifteen (15) days prior to the date of the scheduled extraordinary general meeting.
- (3) If the voting rights at the meeting will be exercised in writing, a printed copy of the materials referred to in the preceding paragraph and a printed ballot shall be delivered to the Members.
29. The following matters shall be specified in the notice of a general meeting with the description of their major content, and shall not be proposed as ad hoc motions; the major content may be posted on the website designated by the Commission, the TPEX or the TWSE or the Company, and such website shall be indicated in the above notice:
- (a) election or discharge of Directors;
  - (b) amendments to the Memorandum of Association and/or these Articles;
  - (c) capital reduction;

- (d) application for the approval of ceasing the Shares to be publicly offered;
  - (e) winding-up, Merger/Consolidation or Spin-off of the Company;
  - (f) entering into, amendment to, or termination of any contract for lease, management by others, or regular joint operation with others of its business in whole;
  - (g) the transfer of the whole or any material part of its business or assets; and
  - (h) taking over another's whole business or assets, which will have a material effect on the business operation of the Company;
  - (i) carrying out a Private placement of equity securities;
  - (j) granting a waiver to the Director's non-competition obligation;
  - (k) distributing part or all of its dividends or bonus by way of issuance of new Shares; and
  - (l) capitalization of the Legal Reserves and capitalization of the Capital Reserve of the Company, the Share Premium Account of the Company and/or the income from endowments received by the Company as Capital Reserve, by issuing new Shares or cash to its existing Members in proportion to the number of Shares being held by each of them.
30. Except for matters prescribed in the preceding Article, a Member of the Company may raise a proposal for resolution as ad hoc motions at a general meeting, provided that the proposed ad hoc motion shall be limited to a matter directly related to the matters specified in the notice of such general meeting.
31. During the Relevant Period, the Company shall prepare a manual for each general meeting and the relevant materials, which will be made available to all Members, and shall be made into electronic files, and published on the website designated by the Commission, the TPEX or the TWSE thirty (30) days prior to the scheduled date of the relevant annual general meeting and fifteen (15) days prior to the scheduled date of the relevant extraordinary general meeting pursuant to the Applicable Listing Rules.

#### **PROCEEDINGS AT GENERAL MEETING**

32. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. In case the general meeting proceeds via video conference, the shareholders taking part in such a meeting shall be deemed to have attended the meeting in person. Save as otherwise provided by these Articles, the Members representing more than one-half of all total outstanding Shares present in person or by proxy and entitled to vote shall be a quorum for all purposes.
33. (1) The Member(s) holding one % (1%) or more of the total outstanding Shares of the Company may submit a proposal in writing or by way of electronic transmission for resolution at an annual general meeting; provided that only one matter shall be allowed in each proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda.
- (2) Prior to the relevant record date, the Company shall give a public notice announcing the place and the period for the Members to submit proposals; and the period for accepting such proposals shall not be less than ten (10) days.
- (3) The number of words of a proposal to be submitted by a Member shall be limited to not more than three hundred (300) words, and any proposal containing more than 300 words shall not be included in the agenda of the general meeting. The Member who has submitted a proposal shall attend, in person or by a proxy, such general meeting whereat his proposal is to be discussed and shall take part in the discussion of such proposal.
- (4) Unless any of the following circumstances is satisfied, the Board shall include the proposal submitted by a Member from the agenda:
- (a) Where the subject (the issue) of the said proposal cannot be settled or resolved by a general meeting;
  - (b) Where the number of shares of the Company held by the proposing Member is less than one % (1%) of the total outstanding Shares on the relevant record date; or
  - (c) Where the said proposal is submitted on a day beyond the deadline fixed and announced by the Company for accepting Members' proposals.
  - (d) Where the said proposal containing more than 300 words or more than one matters in a single proposal.

- (5) The proposal proposed pursuant to the preceding paragraph (1) for urging the Company to promote public interests or fulfil the Company's social responsibilities may still be included in the agenda by the Board.
- (6) The Company shall, prior to sending the notice of the general meeting, inform all the proposing Members of whether their proposals are accepted or not, and shall list in the notice of general meeting the accepted proposals. With regard to the proposals submitted by Members but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the Board at such general meeting.
34. The Chairman shall preside as chairman at every general meeting of the Company convened by the Board. For a general meeting convened by any Person other than the Board, such Person shall act as the chairman of that meeting; provided that if there are two or more Persons jointly convening such meeting, the chairman of the meeting shall be elected from those Persons.
35. If at any general meeting the Chairman is not present at the general meeting or is unwilling to act as chairman, he shall designate one of the Directors to act on his behalf. In the absence of such designation, the attending Directors may choose one of them to be the chairman of such general meeting.
36. The Chairman of the general meeting may by Ordinary Resolution adjourn a general meeting from place to place within five (5) days, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a general meeting is adjourned for more than five (5) days, notice of the time and location of the adjourned meeting shall be given as in the case of an original meeting.
37. At any general meeting, a proposal for resolution shall be decided on a poll. The number or proportion of the votes in favour of, or against, that resolution shall be recorded in the minutes of the meeting.
38. Unless otherwise expressly required by the Law, the Applicable Listing Rules or these Articles, any matter which has been presented for resolution by the Members at any general meeting shall be passed by an Ordinary Resolution.
- 38-1. In the case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote. Subject to these Articles and the Applicable Listing Rules, the Company shall additionally comply with the Procedural Rules of General Meetings.
39. The Company may by a Special Resolution:
- (a) enter into, amend, or terminate any contract for lease, management by others, or regular joint operation with others of its business in whole;
  - (b) transfer the whole or any material part of its business or assets;
  - (c) acquire another's whole business or assets, which will have a material effect on the business operation of the Company;
  - (d) distribute part or all of its dividends or bonus by way of issuance of new Shares;
  - (e) effect any winding-up of the Company, merger/consolidation or Spin-off;
  - (f) carry out a Private placement;
  - (g) grant a waiver to the Directors' non-competition obligation;
  - (h) change its name;
  - (i) alter or amend the Memorandum of Association or these Articles;
  - (j) reduce its share capital and any fund of the capital redemption reserve in any manner authorised by the Law and the Applicable Listing Rules;
  - (k) appoint an inspector to examine the affairs of the Company under the Law; and
  - (l) Share Exchange.
40. (1) In the event any of the resolutions with respect to the paragraph (a), (b) or (c) of the preceding Article is adopted by general meeting, any Member who has notified the Company in writing of his objection to such proposal prior to such meeting and subsequently raised his objection at the meeting may request the Company to purchase all of his Shares at the then prevailing fair price; provided, however, that no Member shall have the abovementioned appraisal right if the general meeting resolves on the dissolution of the Company after the completion of transfer of business or assets under the paragraph (b) of the preceding Article. The abovementioned appraisal right shall be exercised in writing, stating therein the kinds and number of shares, within twenty (20) days after the adoption of resolutions with respect to the paragraph (a), (b) or (c) of the preceding Article.

- (2) In the event any part of the Company's business is involved in any consolidation or merger with another company (including Consolidation and Merger), acquisition or Share Exchange, the Member, who has forfeited his right to vote on such matter and expressed his dissent therefor, in writing or verbally with a record before or during the meeting, in accordance with the Law and these Articles, may request the Company to buy back all of his Shares at the then prevailing fair price in accordance with the Law. The Member filing a foresaid request shall make it in writing within a twenty (20) days period commencing from the resolution date, specify the price for buying back. In case an agreement on the price of buy-back Shares is reached between the Member and the Company, the Company shall pay for the shares within ninety (90) days from the date on which the resolution was adopted. In case no agreement is reached, the Company shall pay the fair price it has recognized to the Members that have not reached agreement with the Company within ninety (90) days from the date on which the resolution was adopted. If the Company did not pay, the Company shall be considered to be agreeable to the price requested by the Member. Where a Member who votes against or abstains from voting at shareholders' meeting requests the Company to buy all its Shares in accordance with the provisions of this paragraph, in case no agreement is reached within sixty (60) days since the resolution was made, the Company shall apply to the court and may choose Taiwan Taipei District Court as the court of first instance for a ruling on the fair price against all these dissenting Members as the opposing party within thirty(30) days after that duration.
  - (3) In case an agreement on the price of shares is reached between the shareholder and the company, the company shall pay for the shares within ninety days from the date on which the resolution was adopted. Without prejudice to the Law, in the event the Company fails to reach such agreement with the Member within a sixty (60) day period commencing from the resolution date, the Member may, within thirty (30) days after such sixty day (60) period, file a petition to Taiwan Taipei District Court for a ruling on the appraisal price.
  - (4) The number of shares abstaining from voting rights is not included in the number of voting rights of shareholders present.
41. A plan of Merger or Consolidation involving the Company shall be authorised by each constituent company by-
- (a) a Members' resolution by majority in number representing seventy-five per cent in value of the Members voting together as one class; and
  - (b) if the shares to be issued to each Member in the consolidated or surviving company are to have the same rights and economic value as the shares held in the constituent company, a Special Resolution of the Members voting together as one class, and in either case a Member shall have the right to vote regardless of whether the Shares that he holds otherwise give him voting rights.
- 41-1. If the trading of shares listed on TWSE is terminated as a result of a Merger/Consolidation in which the company will dissolve, general transfer, share swap or Spin-off and the shares of the surviving company in the Merger/Consolidation, the transferee company in the general assumption or the existing company or newly-incorporated company in the share swap or Spin-off will not be listed on TPEX or TWSE, the resolution of the general meeting shall be adopted by two-thirds or more of the votes of the shareholders who represent the total number of issued shares of the Company.
42. In case the procedure for convening a general meeting or the method of adopting resolutions is in violation of the Law, the Applicable Listing Rules or these Articles, a Member may, within thirty (30) days from the date of the resolution, submit a petition to the Taiwan Taipei District Court or the competent court in Cayman Islands, as applicable, for an appropriate remedy, including but not limited to, requesting the court to invalidate and cancel the resolution adopted therein.

#### **VOTES OF MEMBERS**

43. Subject to any rights and restrictions for the time being attached to any Share, every Member who is present in person (or in the case of a Member being a corporation, by its duly authorised representative) and every Person representing a Member by proxy shall have one vote for each Share.

44. (1) In the case of joint Members, the joint Members shall select a representative among them to exercise their voting powers.
- (2) If a Member holds Shares for others, such Member may advocate to exercise the voting rights separately.
- (3) The eligibility criteria, scope of application, manner of exercise, operating procedures, and other matters relating to the separate exercise of voting rights pursuant to the preceding paragraph shall comply with the Applicable Listing Rules during the Relevant Period.
45. (1) No vote may be exercised with respect to any of the following Shares:
  - (a) the Shares held by any Subordinate Companies, of which a majority of the total outstanding voting shares or the total amount of capital stock are held by the Company; or
  - (b) the Shares held by other companies, of which a majority of the total outstanding voting shares or the total amount of the capital stock are held by the Company and its holding/Subordinate Companies; or
  - (c) the share(s) of a company that are held by the issuing company itself in accordance with the laws.
- (2) Subject to the Law and these Articles, the Shares held by any Member having no voting rights shall not be counted in the total number of the outstanding Shares while adopting a resolution at a general meeting.
- (3) A Member cannot exercise his own vote or by proxy on behalf of another Member in respect of any matter or proposed matter or arrangement if he may be interested therein and may cause damage to the Company's interests. Such Shares shall not be counted in determining the number of votes of the Members present at the said meeting.
46. To the extent permitted by the Law, votes may be exercised in writing or by way of electronic transmission. The way of electronic transmission shall be one of the voting methods at the general meeting.
47. If a written instrument or electronic transmission for voting is proposed to be used, the relevant methods and procedures will be specified in the notice of that meeting and complied with by such Members. A Member who exercises his votes in writing or by way of electronic transmission shall be counted towards the quorum, but shall be deemed to have waived his votes in respect of any ad hoc motions and the amendments to the contents of the original proposals at such general meeting.
- 47-1. A Shareholder shall deliver his declaration about the votes in writing or by way of electronic transmission to the Company no later than 2 days prior to the scheduled meeting date of the general meeting; whereas if two or more declarations are delivered to the Company, the first declaration shall prevail unless an explicit statement to revoke the previous declaration is made in the declaration which comes later.
48. Subject to Article 54, in case a Member who has casted his votes in writing or by way of electronic transmission intends to attend the general meeting in person, he shall, at least 2 days prior to the meeting, revoke his previous votes by serving a separate notice in the same manner as such Member casted his votes. In the absence of a timely revocation of the previous declaration of intention, the votes exercised in writing or by way of electronic transmission shall prevail.
49. For the avoidance of doubt, a Shareholder who exercises his voting power as set forth in Articles 46, 47, 48 and 54 in accordance with the R.O.C. Laws and these Articles shall be deemed to have attended and voted in person at the general meeting for the purposes of these Articles and the Law.
50. The proceedings regarding the general meeting and the voting in the general meeting not covered by these Articles shall be governed by the internal rules of the Company, as adopted and amended by an Ordinary Resolution of Members from time to time, which shall be in compliance with the Law, the Applicable Listing Rules and the Rules Governing the Conduct of Shareholders Meetings by Public Companies.

#### **PROXY**

51. A Member may appoint a proxy to attend a general meeting on his behalf by executing a proxy form prepared by the Company stating therein the scope of power authorized to the proxy. A proxy need not be a Member.
52. A Member may only execute one proxy form and appoint one proxy for each general meeting and shall serve such written proxy to the Company no later than five (5) days prior to the meeting date. In case the Company receives two or more written proxies from one Member, the first one received

- by the Company shall prevail unless an explicit statement to revoke the previous written proxy is made in the subsequent proxy, provided this subsequent proxy is received no later than five (5) days prior to the meeting date.
53. Where a Member has served a proxy and intends to attend the general meeting in person or exercise the voting rights in writing or by way of electronic transmission, a proxy revocation notice shall be made to the Company at least two (2) days prior to the scheduled date of the general meeting; otherwise, the voting power exercised by the appointed proxy at the meeting shall prevail.
  54. In case a Member has exercised his voting power in writing or by way of electronic transmission in accordance with Article 48, and has also authorized a proxy to attend the general meeting on his behalf, then the voting power exercised by the authorized proxy for the said Member shall prevail.
  55. The instrument appointing a proxy shall be expressed to be for a particular meeting only<sup>1</sup>. Instruments of proxy shall be in the form approved by the Company and will 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, the proxy, and proxy solicitor (if any). To the extent permitted by the Law, the form of proxy instrument shall be provided together with the notice for the relevant general meeting, either through post or by electronic transmission, as the case maybe, to all Members on the same day.
  56. Except for trust enterprises duly licensed under the Applicable Listing Rules or Shareholders' Service Agencies approved by the R.O.C. competent authorities, where a Person acts as the proxy for two or more Members, the number of votes represented by him shall not exceed three % (3%) of the total number of votes of the Company and the portion of excessive votes represented by such proxy shall not be counted.
  - 56-1. For so long as the Shares are registered in the Emerging Market or listed in the Taipei Exchange or TWSE, where a general meeting is to be held outside Taiwan, the Company shall engage a designated institute (i.e., Shareholders' Service Agent located in Taiwan) approved by the Commission and the TPEX or the TWSE to handle the administration of such general meeting (including but not limited to the voting for Shareholders of the Company).
  57. The use of proxies and solicitation shall be subject to the Law, the relevant R.O.C. Laws, the relevant Applicable Listing Rules and in particular the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies of the R.O.C.

#### **CORPORATIONS ACTING BY REPRESENTATIVES AT MEETING**

58. Any corporation which is a Member of the Company may, by resolution of its board or other governing body, authorise such natural person as it thinks fit to act as its representative at any general meeting or at any meeting of a Class of Members of the Company.

#### **DIRECTORS AND BOARD**

59. (1) Unless otherwise determined by the general meeting, the number of Directors shall be a minimum of five (5) and a maximum of ten (10).
  - (2) A Director can be a natural person or a Juristic Person. Where a Director is a Juristic Person, it shall designate a natural person as its authorized representative to exercise, on its behalf, the duties of a director. Any natural person designated as an authorized representative by the corporate Director may be replaced by another natural person to be authorized by the corporate Director from time to time so as to fulfil the remaining term of the office of the predecessor.
  - (3) Where a Juristic Person acts as a Member, its authorized representative(s) may be nominated as a Director(s) provided such nomination is in accordance with these Articles.
  - (4) Directors shall be elected by the Members in general meeting. Notwithstanding any other provision of these Articles, the principle of cumulative voting shall apply in any election of Directors pursuant to this Article. Each Member entitled to vote in such election shall have a number of votes equal to the product of (i) the number of votes conferred by such Member's shares and (ii) the number of Directors to be elected at the general meeting. Each Member may divide and distribute such Member's votes, as so calculated, among any one or more candidates
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- for the directorships to be filled, or such Member may cast such Member's votes for a single candidate. At such election, the candidates receiving the highest number of votes, up to the number of Directors to be elected, shall be elected.
- (5) The proceedings and the voting regarding the election of Directors not covered by these Articles shall be governed by the internal rules of the Company, as adopted and amended by an Ordinary Resolution of the Members from time to time, which shall be in compliance with the Law and the relevant Applicable Listing Rules.
- (6) The qualification, formation, appointment, discharge, exercise of authority and other compliance of Directors shall be subject to and governed by the Applicable Listing Rules.
60. The Company shall adopt a candidate nomination mechanism for election of Directors which is in compliance with the Law and the Applicable Listing Rules. Subject to the Law and the Applicable Listing Rules, the Board shall establish detailed rules and procedures for such candidate nomination.
61. The term for which a Director will hold office shall be three years; thereafter he may be eligible for re-election. In case no election of new Directors is effected after expiration of the term of office of the existing Directors, the term of office of such Directors shall be extended until the time new Directors are elected and assume their office.
62. A Director may be discharged at any time by a Special Resolution adopted at a general meeting. If a Director is discharged during the term of his/her office as a director without good cause, such Director may make a claim against the Company for any and all damages sustained by him/her as a result of such discharge.
63. The Board shall have a chairman (the “**Chairman**”) elected and appointed in term by a majority of the Directors present at the Board meeting the quorum of which shall be two-thirds of all of the Directors then in office. The Chairman shall externally represent the Company and internally preside as Chairman at every meeting of the Board and general meeting convened by the Board. To the extent the Chairman is not able to be present at a meeting of the Board, he shall designate one of the Directors to act on his behalf. In the absence of such designation, the attending Directors may choose one of them to be the chairman of the meeting of the Board.
64. A Director shall not be required to hold any Shares in the Company.
65. The remuneration of a Director may differ from other Directors, and shall be determined by the Board, regardless of the Company profits or losses of such year, in accordance with (i) the extent of a Director's involvement with the business operations of the Company, (ii) the contribution of a Director to the Company, (iii) the prevailing industry standard and (iv) such other relevant factors.
- 65-1. (1) During the Relevant Period, the Board shall comply with the Applicable Listing Rules to establish a remuneration committee, which shall be composed of no less than three (3) members, more than half of the members shall be Independent Directors (the “Remuneration Committee”).
- (2) The professional qualifications of the Remuneration Committee members, the exercise of their powers, and other related matters shall comply with the Applicable Listing Rules.
- (3) Upon the establishment of the Remuneration Committee, the Board shall adopt a charter for such Remuneration Committee, which shall comply with the Applicable Listing Rules.
66. When the number of Directors falls below five (5) due to a Director ceasing to act for any reason, the Company shall hold an election for Directors at the next general meeting. When the number of Directors falls short by one-third of the total number of Directors of the same term elected pursuant to these Articles, the Company shall convene an extraordinary general meeting within sixty (60) days of the occurrence of that fact to hold an election for Directors.

#### **INDEPENDENT DIRECTORS AND THE AUDIT COMMITTEE**

67. During the Relevant Period, the number of Independent Directors of the Company shall not be less than three (3) or not less than one-fifth of the total number of Directors, whichever is higher, one (1) of whom shall be domiciled in the R.O.C. (such domicile being registered with the government authorities). When an Independent Director ceases to act, resulting in a number of Independent Directors lower than the minimum number required by these Articles, an election for an Independent Director shall be held at the next general meeting. When all Independent Directors cease to act, the Company shall convene an extraordinary general meeting to hold an election of Independent Directors within sixty (60) days from the date on which the situation arose.

68. Independent Directors shall possess professional knowledge and there shall be restrictions on their shareholding and the positions they may concurrently hold. They shall maintain independence within the scope of their directorial duties, and may not have any direct or indirect interest in the Company. The professional qualifications, formation, appointment, discharge, exercise of authority, restrictions on shareholdings and concurrent positions held will be taken into account in assessing the independence of the Independent Directors, in compliance with the Applicable Listing Rules.
- 68-1. The election of Independent Directors shall be held pursuant to the Nomination System for the Candidates of Independent Directors and the Independent Directors shall be elected out of the nominated candidates. For so long as the Shares are registered in Emerging Market or listed on the Taipei Exchange or TSE, the Company shall adopt a candidate nomination mechanism for the purpose of the appointment of Independent Directors in accordance with the Applicable Listing Rules. The rules and procedures for such candidate nomination shall be in accordance with policies approved by the Directors and by an Ordinary Resolution from time to time, which policies shall be in accordance with the Law, these Articles and the Applicable Listing Rules. Subject to these Articles and the Applicable Listing Rules, the Company shall additionally comply with the Guidelines Governing Election of Directors.
69. (1) The Company shall establish an Audit Committee.
- (2) Where the Company has established an Audit Committee pursuant to these Articles, the Audit Committee shall comprise of all the Independent Directors. It shall not be fewer than three (3) Persons in number, one of whom shall be the convenor, and at least one of whom shall have accounting or financial expertise.
- (3) A resolution of the Audit Committee shall be approved by a majority of all Audit Committee members.
- (4) The qualification, formation, appointment, discharge, exercise of authority and other compliance of the Audit Committee shall be subject to and governed by the Applicable Listing Rules.
70. (1) Where the Company has established an Audit Committee pursuant to these Articles, the following matters shall be subject to the approval of the Audit Committee and be submitted to the Board for a resolution:
- (a) the adoption or amendment of an internal control system;
- (b) the assessment of the effectiveness of the internal control system;
- (c) the adoption of or amendment to handling procedures for financial or operational actions of material significance, such as the acquisition or disposal of assets, derivatives trading, monetary loans to others, or endorsements or guarantees for others;
- (d) a matter bearing on the personal interest of a Director;
- (e) a transaction relating to material asset or derivatives trading;
- (f) the granting or provision of a material monetary loan, endorsement, or provision of guarantee;
- (g) the offering, issuance, or Private placement of any equity-type securities;
- (h) the engagement or dismissal of an attesting chartered public accountant, or the compensation given thereto;
- (i) the appointment or discharge of a financial, accounting, or internal auditing officer; and annual and semi-annual financial reports.
- (2) With the exception of subparagraph (j), any other matters under the preceding paragraph (1) of this Article that has not been approved by the Audit Committee may be undertaken upon the approval of two-thirds or more of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the meeting of the Board.
- 70-1. (1) Before any resolution of merger/consolidation and acquisition by the Board was made, the Company shall convene a meeting of Audit Committee to review the fairness and reasonableness of the plan and transaction of the merger/consolidation or acquisition, and shall report the reviewed results to the Board and the general meeting. However, if it is not required under the Law to convene a general meeting for the resolution of merger/consolidation and acquisition, the reviewed results are not required to be reported to the general meeting.
- (2) When a meeting of Audit Committee reviews matters, it shall seek opinions from the independent expert on the justification of the Share Exchange ratio or distribution of cash or other assets to the Members.
- (3) The reviewed results of the Audit Committee and opinions from the independent expert shall be delivered to the Members together with the notice of the general meeting. However, if a general

meetings' resolution of the merger/consolidation and acquisition is not required under the Law, reports for matters of the merger/consolidation and acquisition shall be announced at the next closest general meeting.

- (4) If the Company announces the same content as in those documents of notice delivered to the Members according to the provisions of the preceding paragraph on a website designated by the R.O.C. competent authorities of securities and those documents are prepared at the venue of the general meeting by the Company for Members' reference, those documents shall be deemed as having been sent to the Members.

#### **POWERS AND DUTIES OF THE BOARD**

71. Subject to the Law, these Articles, the Applicable Listing Rules and to any resolutions passed in a general meeting, the business of the Company shall be managed by the Board in such manner as it shall think fit, which may pay all expenses in connection with business management, including but not limited to expenses incurred in setting up and registering the Company and may exercise all powers of the Company.
72. The Board may from time to time appoint any Person to hold such office in the Company as the Board may think necessary for the management of the Company, including but not limited to general manager and other managers, and for such term and at such remuneration as the Board may think fit. Any Person so appointed by the Board may be removed by the Board and shall have the power to perform such duties as may be delegated to them by the Board in accordance with the applicable internal rules of the Company, as adopted and amended by the Board.
73. The Board may appoint a Secretary (and if need be an assistant Secretary or assistant Secretaries) who shall hold office for such term, at such remuneration and upon such conditions and with such powers as the Board thinks fit. Any Secretary or assistant Secretary so appointed by the Board may be removed by the Board. The Secretary shall attend all general meetings and shall keep correct minutes of such meetings. He shall perform such other duties as are prescribed by the Law or as may be prescribed by the Board.
74. The Directors from time to time and at any time may establish any committees for managing any of the affairs of the Company; the Board may delegate any of their powers to committees consisting of such member or members of their body as the Board thinks fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.
- 74-1. (1) The Directors shall exercise the duty of loyalty, with the due care of a good administrator, in conducting the business of the Company. If any violation of this Article causes the Company to suffer damages, such Director shall be liable for any such damages incurred. If the conduct in violation of this Article is for the benefit of the Director(s) or other(s), the earnings derived from such conduct may be deemed the earnings of the Company by an Ordinary Resolution adopted at the general meeting.
- (2) If, in the course of conducting the business of the Company, the Director violates any applicable laws and regulations, which causes damages to another person, such Director and the Company shall be jointly and severally liable for any damages incurred by such person.
- (3) The managers of the Company shall have the same liability for damages as the Directors when acting within the scope of his or her duties.
- 74-2. A Director (exclusive of any Independent Directors) who does anything for himself or on behalf of another person that is within the scope of the Company's business shall declare the essential contents of such behaviour to the general meeting of the Shareholders and be approved by Special Resolution. Failure in obtaining such approval shall cause the Director being so interested be liable to account to the Company for any profit realised by any such behaviour if the general meeting so resolves by an Ordinary Resolution within one (1) year from such behaviour.
- 74-3. Subject to the Applicable Listing Rules, any Director may appoint another Director to be his or her alternate and to act in such Director's place at any Board meeting. Every such alternate Director shall be entitled to attend and vote at the Board meeting as the alternate of the Director appointing him or her and where he or she is a Director to have a separate vote in addition to his or her own vote.
- 74-4. Subject to the Applicable Listing Rules, the appointment of the alternate Director referred in the preceding article shall be in writing under the hand of the appointing Director and shall be in any usual or common form or such other form as the Directors may approve, and must be lodged with the

chairman of the meeting of the Directors at which such appointment is to be used, or first used, prior to the commencement of the Board meeting.

### **DISQUALIFICATION AND CHANGES OF DIRECTORS**

75. The office of Director shall be vacated, if such Director:
- (a) commits a felony (including but not limiting to an offence under Statute for Prevention of Organizational Crimes of the R.O.C.) and has been adjudicated guilty by a final judgment, and has not started serving the sentence, has not completed serving the sentence, or five years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
  - (b) has been sentenced to imprisonment for a term of more than one year for commitment of fraud, breach of trust or misappropriation, and has not started serving the sentence, has not completed serving the sentence, or two years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
  - (c) has been adjudicated guilty by a final judgment for committing an offence under the Anti-Corruption Act of the R.O.C. during the time of his/her public service, and has not started serving the sentence, has not completed serving the sentence, or two years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
  - (d) becomes bankrupt under the laws of any country or has been adjudicated of the commencement of the liquidation procedure by the court and has not been reinstated to his rights and privileges; or makes any arrangement or composition with his creditors generally;
  - (e) has been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet;
  - (f) loses all or part of legal capacity as defined under the Applicable Listing Rules;
  - (g) has been adjudicated the commencement of assistantship and such assistantship has not been revoked yet;
  - (h) dies or is found to be or becomes of unsound mind or a patient for any purpose of any statute or applicable law relating to mental health and the Directors resolved that his office is vacated;
  - (i) if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under any provisions of any law or enactment;
  - (j) resigns his office by notice in writing to the Company;
  - (k) is removed from office pursuant to these Articles; or
  - (l) has been ordered to be discharged by the R.O.C. Courts on the grounds that such Director has, in the course of performing his duties, committed serious violations of the Law, Applicable Listing Rules or these Articles, or acts resulting in material damage to the Company, upon a petition by the Company or Member(s) to the R.O.C. Courts for remedies including the discharge of such Director, in accordance with the requirements of the Applicable Listing Rules or these Articles.
- 75-1. (1) A Director will be automatically discharged if, during his/her/its tenure, such Director transfers more than one half of the Shares held by him/her/it at the time of election; a Director will also be automatically discharged if the aggregated number of Shares transferred by such Director prior to and after the amendment of these Articles is more than one half of the Shares held by him/her/it at the time of election; unless otherwise, he/she/it is the Independent Director.
- (2) If, after he/she/it is elected, a Director transfers more than one half of the Shares held by him/her at the time of election before he/she/it assumes office, or transfers more than one half of the total number of Shares held by him/her/it during the period prior to the general meeting where share transfer registration is suspended, the election of such Director shall become invalid; unless otherwise, he/she/it is the Independent Director.
- 75-2. If a Director creates a pledge on Shares exceeding one half of the Shares held by such Director at the time of election, the votes of the Shares in excess of such amount shall not be exercised or included in the votes at the general meeting.
76. Except as approved by the TPEx or the TWSE or the Commission, the following relationships shall not exist among more than half of the Company's Directors: (1) a spousal relationship; or (2) a familial relationship within the second degree of kinship as defined under the Applicable Listing Rules. If any of the foregoing relationships exist among the elected Directors, the election with respect to the one who received the lowest number of votes among those Directors shall be deemed invalid and void; if he has held the office of a Director, he shall cease to act as a Director.

- 76-1. (1) Member(s) who holds one percent (1%) or more of the total issued and outstanding Shares of the Company for more than six months may submit a written request to the Independent Director on the Audit Committee to institute a lawsuit on behalf of the Company against the Director(s) and may choose Taiwan Taipei District Court as the court of first instance.
- (2) The general meeting for the re-election of the Board referred to in the preceding paragraph shall be attended by more than one-half of the total issued and outstanding Shares of the Company.
77. In case a Director has, in the course of performing his duties, committed any act resulting in material damages to the Company or in serious violation of applicable laws and/or regulations, but not discharged by a resolution of the general meeting, the Members(s) holding three % (3%) or more of the total number of outstanding Shares of the Company may, within thirty (30) days after that general meeting, institute a lawsuit in the court for a judgment in respect of such matter and may choose Taiwan Taipei District Court as the court of first instance.
- 77-1. (1) Member(s) who holds one percent (1%) or more of the total issued and outstanding Shares of the Company for more than six months may submit a written request to the Independent Director on the Audit Committee to institute a lawsuit on behalf of the Company against the Director(s) and may choose Taiwan Taipei District Court as the court of first instance.
- (2) If the Independent Director on the Audit Committee fails to institute a lawsuit within thirty (30) days of receiving the request pursuant to the preceding paragraph, the shareholder may institute a lawsuit on behalf of the Company and may choose Taiwan Taipei District Court as the court of first instance.

#### **PROCEEDINGS OF BOARD**

78. During the Relevant Period, for the dispatch of business, the Directors shall convene and hold Board meetings (either within or without the Cayman Islands) at least once each quarter. In convening a meeting of the Board, a notice setting forth therein the subject(s) to be discussed 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 determined by the Board, the Board meetings may be convened at any time where this has been agreed to by a majority of Directors.
79. A Director may participate in any meeting of the Board, or of any committee appointed by the Board of which such Director is a member, by means of visual communication equipment by way of which all Persons participating in such meeting can see and communicate with each other simultaneously and instantaneously, and such participation shall be deemed to constitute presence in person at the meeting.
80. A Director may appoint another Director as his proxy to attend a meeting of the Board, provided that the appointer shall deliver, with regard to each meeting, a power of attorney and state therein the scope of authority with reference to the subjects to be discussed at such meeting. However, no Director may act as proxy for two or more other Director.
81. Unless otherwise provided in these Articles, the quorum necessary for any Board meeting shall be more than one-half of the Directors. A Director represented by proxy at any meeting shall be deemed to be present for the purposes of determining whether or not a quorum is present.
82. Unless otherwise provided in these Articles, the Law or the Applicable Listing Rules, matters arising at any meeting shall be decided by a majority of the Directors present at a Board meeting.
83. During the Relevant Period, no matters may be decided by the Board by ways of written resolution.
84. (1) A Director who in any way has a personal interest in the matter under discussion at a meeting of the Directors shall declare the essential contents of his personal interest to the Board meeting. In the merger/consolidation and acquisition involving the Company, a Director who has a personal interest in the transaction of merger/consolidation and acquisition shall explain to the Board and the general meeting the essential contents of such personal interest and the cause of his approval or dissent to the resolution of merger /consolidation or acquisition. Under the circumstances of the preceding paragraph, the company shall itemize the essential contents of a director's personal interest and the cause of approval or dissent to the resolution of merger/consolidation or acquisition in the notice to convene a meeting of shareholders; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and the address of such website shall be indicated in the above notice.
- (2) Where the spouse, a blood relative within the second degree of kinship of a Director, or any holding/subordinate company of a Director has interests in the matters under discussion at a

meeting of the Directors of the preceding paragraph, such Director shall be deemed to have a personal interest in the matter.

- (3) A Director cannot exercise his own vote or by proxy on behalf of another Director in respect of any matter or proposed matter or arrangement if he may be interested therein and may cause damage to the Company's interests. 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 but shall still be counted in the quorum for such meeting.
85. Subject to these Articles, a Director other than an Independent Director may hold any other office or place of profit under the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Board may determine, and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.
86. Subject to these Articles, a Director other than an Independent Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
87. The Board shall cause all minutes to be duly entered in the books provided for the purpose of recording:
- (a) all appointments of officers made by the Directors;
  - (b) the names of the Directors present at each meeting of the Board and of any committee of the Board; and
  - (c) all resolutions and proceedings of all general meetings and of the Board and of committees of Directors.
88. Subject to these Articles, the continuing Directors may act notwithstanding any vacancy in their body but if and for so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for summoning a general meeting of the Company, but for no other purpose.
89. The meetings and proceedings of any committee shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any directions imposed by the Board.
- 89-1. Subject to the Applicable Listing Rules, when the chairman of a meeting of the Directors signs the minutes of such meeting the same shall be deemed to have been duly held.
- 89-2. A committee appointed by the Directors may meet and adjourn as it thinks proper. Subject to the Applicable Listing Rules and any regulations imposed on it by the Directors, questions arising at any meeting shall be determined by a majority of votes of the committee members present.
- 89-3. The Board shall be entitled to release or disclose to any regulatory or judicial authority of the R.O.C. or Cayman Islands any information in its possession, custody or control regarding the Company or its affairs to any of its Shareholder including, without limitation, information contained in the Register of Members and transfer books of the Company.
90. The proceedings regarding Board meetings not covered by these Articles shall be governed by the internal rules of the Company, as consented by the Board and reported to a general meeting from time to time, which shall be in compliance with the Law and the Applicable Listing Rules, particularly the Regulations Governing Procedure for Board of Directors Meetings of Public Companies. The Board may be authorized to amend the proceedings regarding Board meetings.

#### **RESERVE**

91. Subject to the Law, the Company may, after paying all taxes and duties, by Ordinary Resolution, set aside certain amount of its surplus profits as a special reserve (the "Special Reserve") for such purposes as may be approved by the shareholders by way of Ordinary Resolution.
92. Unless otherwise provided in the Law, the Applicable Listing Rules and these Articles, the Capital Reserve shall not be used except for offsetting the losses of the Company. The Company shall not use the Capital Reserve to offset its capital losses unless the Special Reserve is insufficient to offset such losses.

## **DIVIDENDS AND BONUSES**

93. Subject to the Law and these Articles, the Company may declare dividends or bonuses in any currency to be paid to the Members when there is any surplus profit at the end of each quarter or the financial year.
- 93-1 Subject to the Law, any rights and restrictions for the time being attached to any Shares and these Articles, the Company by Ordinary Resolution may declare dividends and other distributions on Shares in issue and authorise payment of the same out of the funds of the Company lawfully available therefor.
- 93-2 Subject to Article 93-1, the Directors may, before recommending any dividend, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall, in the discretion of the Directors be applicable for meeting contingencies, or for equalising dividends or for any other purpose to which those funds may be properly applied and pending such application may in the absolute discretion of the Directors, either be employed in the business of the Company or be invested in such investments as the Directors may from time to time think fit.
- 93-3 Any dividend may be paid by cheque sent through the post to the registered address of the Shareholder or Person entitled thereto, or in the case of joint holders, to the representative of such joint holders at his registered address or to such Person and such address as the Shareholder or Person entitled, or such joint holders as the case may be, may direct. Every such cheque shall be made payable to the order of the Person to whom it is sent or to the order of such other Person as the Shareholder or Person entitled, or such joint holders as the case may be, may direct.
- 93-4 Subject to any rights and restrictions for the time being attached to any Shares, all dividends shall be declared and paid according to the number of the Shares held by the Shareholders.
94. Subject to the preceding Article, the Law and the Applicable Listing Rules, the Company if has profits, shall distribute employee bonus and Director bonus according to the following %ages, and the proposal of the distribution of employee bonus and Director bonus shall be reported to the general meeting. In the event that the Company still has accumulated deficit, the profits, to the extent of such deficit, shall be set aside to make up the deficit
- (a) no less than zero point five % (0.5%) for bonuses to employees. When the employee bonuses will be paid in the form of new shares issued by the Company, the employees entitled to such share bonuses may include employees of Subordinate Companies satisfying certain criteria. The criteria shall be promulgated and amended by the Board from time to time;
  - (b) up to two % (2%) for bonuses of Directors; and
- 94-1. (1) Subject to the Law and the Applicable Listing Rules, the Company may distribute its surplus profits and offset losses at the end of each quarter. The business report, the financial statements and the proposal relating to profit distribution and/or loss offsetting of the preceding three quarters shall be submitted to the Board for a resolution after being audited by Independent Directors who are members of the Audit Committee.
- (2) When distributing surplus profits pursuant to the preceding paragraph, the Company shall estimate and reserve the tax payable and offset its losses in accordance with the laws.
  - (3) Where surplus profits are distributed pursuant to the preceding paragraph (1) of this Article, the Company, subject to the Law and the Applicable Listing Rules, may by Special Resolution have the whole or a part of the surplus profit distributable as dividends or bonuses distributed in the form of new shares for such purpose; any fraction of such newly issued shares shall be paid in cash. The whole or a part of the distributable dividends or bonuses, may, upon the approval of the Board, be paid in cash.
  - (4) When the Company distributes its surplus profits or offsets its losses pursuant to the preceding three paragraphs of this Article, such profit distribution or loss offsetting shall be based on financial statements audited or reviewed by a certified public accountant.
- 94-2. In the event that there is earnings surplus per the annual accounting result, such surplus shall first be used to pay tax, offset losses of previous years, and then be set aside as Special Reserve (if required), and the remainder shall be allocated first as the dividends of the Preferred Shares ("Preferred Dividends") payable in such financial year. The remaining surplus combining accumulated undistributed earnings in the previous years as the distributable earnings surplus shall be distributed to Members as cash dividend and/or stock dividend, pursuant to the distribution proposal made by the Board and to be approved by the general meeting.

When the company allocate Special Reserve according to R. O. C. Laws, in the event that the amount of the cumulative amount of net increase in investment properties in fair value in a preceding period(s) and the cumulative net amount of other deductions from equity in a preceding period(s) is insufficient to be allocated, the company shall allocate an amount of special reserve equal to the amount allocated to undistributed earnings for the preceding period before distributions of surplus profits. If there remains any insufficiency, the amount of insufficiency shall be allocated from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period.

The dividend policy of the Company is in consideration of the stable development, sustainable development, funding needs, sound financial structure and protection of shareholder interests of the Company and therefore the ratio of dividends to Members shall not be less than 10% of the distributable earnings surplus, and the distribution can be made in cash or in stock where the amount of cash dividends distributed thereupon shall not be less than 50% of the total amount of dividends. In the event that the Company has no accumulated loss, the Company may consider the finance, business and operation aspects of the Company and distribute all or part of the Legal Reserve and Capital Reserve pursuant to the Law and regulations prescribed by the competent authorities.

95. (1) Where dividends or bonuses are declared in accordance with the preceding Article, the Company, subject to the Law and the Applicable Listing Rules, may by Special Resolution have the whole or a part of the surplus profit distributable as dividends or bonuses distributed in the form of new shares for such purpose; any fraction of such newly issued shares shall be paid in cash.
- (2) Where dividends or bonuses are declared in accordance with the preceding Article, the Company may, upon the approval of a majority of the Board present at a Board meeting attended by two-thirds or more of Directors, have the whole or a part of the surplus profit distributable as dividends or bonuses paid in cash; and in addition thereto a report of such distribution shall be submitted to the general meeting.

#### **ACCOUNTS, AUDIT, AND ANNUAL RETURN AND DECLARATION**

96. The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Board.
97. The books of account shall be kept at the Registered Office or at such other place or places as the Board thinks fit, and shall always be open to the inspection of each Director.
98. After the end of each financial year, the Board shall prepare and submit: (1) the business report; (2) the financial statements and accompanying documents, as required by the Law and the Applicable Listing Rules (the "**Financial Statements**"); and (3) any proposal relating to profit distribution and/or loss offsetting in accordance with these Articles for adoption by the annual general meeting. Upon adoption at the annual general meeting, the Board shall distribute to each Member copies of the Financial Statements and the resolutions relating to profit distribution and/or loss offsetting. The Company may notify Members by way of a public announcement of the statements and resolutions mentioned in the previous paragraph.
99. The documents prepared by the Board in accordance with the preceding Article shall be made available at its Shareholders' Service Agent's office in the R.O.C. before ten (10) days of the annual general meeting, and any Members is entitled to inspect such documents during normal business hours of such service agent.
100. The Board shall keep copies of this Memorandum of Association, these Articles, the minutes of every general meeting, the Financial Statements, the Register and the counterfoil of corporate bonds issued by the Company at its Shareholders' Service Agent's office in the R.O.C.. Any Member may request at any time, by submitting evidentiary document(s) to show his interests involved and indicating the scope of requested matters, access to inspect, transcribe and to make copies of the above documents and the Company shall make its Shareholders' Service Agent to provide with the access.
101. The accounts relating to the Company's affairs shall only be audited in such manner and with such financial year end as may be determined from time to time by the Board, or required by the Law or the Applicable Listing Rules.
- 101-1. Subject as otherwise provided in these Articles, the Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations

the accounts and books of the Company or any of them shall be open to the inspection of Shareholders not being Directors, and no Shareholder (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by Ordinary Resolution.

102. The Board in each year shall prepare, or cause to be prepared, an annual return and declaration setting forth the particulars required by the Law and deliver a copy thereof to the Registrar of Companies in the Cayman Islands.

#### **CAPITALISATION OF RESERVE**

103. Subject to the Law, where the Company incurs no loss, it may, by a Special Resolution, capitalize the Legal Reserves and the Capital Reserve specified below, in whole or in part, by issuing new, fully paid shares to the Members in proportion to the number of shares held by each of them:

- (a) Share Premium Account.
- (b) income from endowments received by the Company.

Where the Legal Reserve is distributed by issuing new shares, only the portion of Legal Reserve which exceeds 25 % of the paid-in capital may be distributed.

104. Subject to the requirements of the Law, the Board may make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a Capitalised Reserve, including without limitation, Shares distributable in fractions.

- 104-1. Subject to the Applicable Listing Rules and the Law, the Company may, with the authority of Special Resolution :

- (a) resolve to capitalise an amount standing to the credit of reserves or other capital reserves (including a share premium account, capital redemption reserve, revenue, profit and loss account, Capital Reserves, Legal Reserves and Special Reserves), whether or not available for distribution;
- (b) appropriate the sum resolved to be capitalised to the Shareholders in proportion to the number of Shares held by them respectively and apply that sum on their behalf in or towards paying up in full unissued Shares or debentures of a nominal amount equal to that sum, and allot the Shares or debentures, credited as fully paid, to the Shareholders (or as they may direct) in those proportions, or partly in one way and partly in the other;
- (c) make any arrangements it thinks fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where Shares or debentures become distributable in fractions the Directors may deal with the fractions as they think fit; and
- (d) generally do all acts and things required to give effect to any of the actions contemplated by these Articles.

#### **TENDER OFFER**

105. During the Relevant Period, within seven (7) days after the receipt of the copy of a tender offer application form and relevant documents referred to in the Applicable Listing Rules by the Company or its litigation or non-litigation agent appointed pursuant to the Applicable Listing 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, numbers and amount of the Shares held by the Directors and the Members holding more than ten % (10%) of the outstanding Shares in its own name or in the name of other Persons;
- (b) the 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) therefore;
- (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; and
- (d) the types, numbers and amount of the Shares of the tender offeror or its affiliates held by the Directors and the Members holding more than ten % (10%) of the outstanding Shares held in its own name or in the name of other Persons.

## **WINDING UP**

106. Subject to the Law, the Company may be wound up by a Special Resolution passed by the Members. If the assets available for distribution amongst the Members shall be insufficient to repay the whole of the share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the number of the Shares held by them. If in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst the Members in proportion to the number of the Shares held by them at the commencement of the winding up. This Article is without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
107. Subject to the Law, if the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution and any other sanction required by the Law, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different Classes. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any asset whereon there is any liability.
108. The Company shall keep all statements, records of account and documents for a period of ten (10) years from the date of the completion of liquidation, and the custodian thereof shall be appointed by the liquidator or the Company by Ordinary Resolution.

## **NOTICES**

109. Subject to the Law and except as otherwise provided in these Articles, any notice or document may be served by the Company to any Member either personally, or by facsimile, or by sending it through the post in a prepaid letter or via a recognised courier service, fees prepaid, addressed to such Member at his address as appearing in the Register, or, to the extent permitted by the Law and the Applicable Listing Rules, by posting it on a website designated by the Commission or the TPEX or the TWSE or the Company's website, or by electronic means by transmitting it to any electronic mail number or address such Member may have positively confirmed in writing for the purpose of such service of notices. In the case of joint Members, all notices shall be given to that one of the Members whose name stands as their representative in the Register in respect of the joint holding.
110. Any Member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting including the purpose for which such meeting was convened.
111. Any notice or other document, if served by:
- (a) post, shall be deemed to have been served five (5) days after the time when the letter containing the same is posted or delivered to the courier;
  - (b) facsimile, shall be deemed to have been served upon production by the transmitting facsimile machine of a report confirming transmission of the facsimile in full to the facsimile number of the recipient;
  - (c) courier service, shall be deemed to have been served forty-eight (48) hours after the time when the letter containing the same is delivered to the courier service; or
  - (d) electronic mail, shall be deemed to have been served immediately upon the time of the transmission by electronic mail, subject to the Law.
112. Any notice or document delivered or sent by post to or left at the registered address of any Member in accordance with the terms of these Articles shall notwithstanding that such Member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any Share registered in the name of such Member as sole or joint Member.
113. Notice of every general meeting of the Company shall be given to all Members holding Shares with the right to receive notice as at the record date and who have supplied to the Company an address for the giving of notices to them. No other Person shall be entitled to receive notices of general meetings.

#### **OFFICES OF THE COMPANY**

114. The Registered Office of the Company shall be at such address in the Cayman Islands as the Board shall from time to time determine. The Company, in addition to its Registered Office, may establish and maintain an office in the Cayman Islands or elsewhere as the Board may from time to time determine.

#### **CORPORATE GOVERNANCE**

115. (1) During the Relevant Period, the proceedings regarding acquisition and disposal of assets of the Company (including financial derivatives trading), loan of funds and making of endorsement/guarantees shall be governed by the internal rules of the Company, which shall be in compliance with the Law and the Applicable Listing Rules. The enactment and amendment of such internal rules shall be approved by an Ordinary Resolution of Members.
- (2) During the Relevant Period, the proceedings regarding related party transactions shall be governed by the internal rules of the Company, as adopted and amended by the Board from time to time, which shall be in compliance with the Law and the Applicable Listing Rules.
116. During the Relevant Period, the internal control system will be established by the Board which shall be in compliance with the Law and the relevant Applicable Listing Rules.

#### **FINANCIAL YEAR**

117. Unless the Board otherwise prescribes, the financial year of the Company shall end on December 31st in each year and shall begin on January 1st in each year.

#### **SEAL**

118. The Company shall have one or more Seals, as the Board may determine. No Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Articles, any instrument to which a Seal is affixed shall be signed by one Director or the Secretary or by such other person or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

#### **CORPORATE SOCIAL RESPONSIBILITY**

119. 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 when conducting business.

## Appendix 2.

### Rules of Procedure for Shareholders' Meetings

- Article 1 To establish a strong governance system and sound supervisory capabilities for the company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
- Article 2 The rules of procedures for the company's shareholders' meetings, except as otherwise provided by law, regulation, or the Memorandum and Articles of Association, shall be as provided in these Rules.
- Article 3 (Convening shareholders meetings and shareholders meeting notices)  
Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.  
Changes to how this Corporation convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice. This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.  
This Corporation shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:  
For physical shareholders meetings, to be distributed on-site at the meeting.  
For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.  
For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.  
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.  
Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company,

approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one % or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business

days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

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

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

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.

Article 6 (Preparation of documents such as the attendance book)

This Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

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.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

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

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.

In the event of a virtual shareholders meeting, this Corporation 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 6-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, this Corporation shall include the following particulars in the shareholders meeting notice:

How shareholders attend the virtual meeting and exercise their rights.

Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:

To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.

Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.

In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. 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, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.

To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 7 (The chairperson and non-voting participants of a shareholders' meeting)

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

It is advisable that shareholders' meetings convened by the Board of Directors be attended by a majority of the Directors.

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

The company may appoint its attorneys, certified public accountants, or related persons to attend a shareholders' meeting in a non-voting capacity.

Article 8 (Documentation of a shareholders meeting by audio or video)

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation 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.

In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

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

Article 10 (Discussion of proposals)

If a shareholders' meeting is convened by the Board of Directors, the agenda shall be determined by the Board of Directors. The meeting shall be convened according to the scheduled agenda. The agenda shall not be altered without a resolution adopted at the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.

The chairperson may not arbitrarily declare the adjournment of the meeting before the end of proceedings (including extempore motions). If the chairperson declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chairperson in accordance with

statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chairperson shall allow ample opportunity during the meeting for explanation and discussion of the proposals and of the amendments or extempore motions put forward by the shareholders. When the chairperson is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairperson may announce the end of the discussion and call for the vote.

#### Article 11 (Shareholder speech)

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

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

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

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

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

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

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

#### Article 12 (Calculation of voting shares and recusal system)

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

For the resolutions of the shareholders' meeting, the number of shares of the non-voting shareholders is not included in the total number of issued shares.

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.

The shares of the unexecuted voting rights shall not be calculated in the voting number of the attending shareholders.

Except for the trust business or the stock agency approved by the securities regulatory authority, when one person is entrusted by two or more shareholders at the same time, the

proxy voting rights shall not exceed three % of the total voting rights of the issued shares. If it does, the exceeding voting rights are not calculated.

Article 13 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, Paragraph 2 of the Company Act.

When the company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means shall be regarded as having personally attended the meeting. However, the shareholder shall be regarded as having forfeited voting rights for extraordinary motions or amendments to the original motion.

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 two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. However, this restriction does not apply when a declaration is made to cancel the earlier declaration of intent.

Once the shareholder has exercised his/her voting right by correspondence or electronic mean, if he/she intends to attend the meeting in person, he/she shall withdraw the intention statement in the same way the voting right is to be exercised at least two (2) days prior to the shareholders' meeting. If the withdrawal did not arrive in time, the voting rights exercised by correspondence or electronic mean 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.

Except as otherwise provided in the Company Act and in the company's Articles of Incorporation, the adoption of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of voting, the total number of voting rights of the present shareholders shall be announced by the chairperson or the personnel who he designates case by case.

The proposal is deemed to be passed if all present shareholders have no objections upon the consultation of the chairperson, and its validity is the same as that of voting. If there is any objection, it shall be resolved by voting as specified in the preceding paragraph.

When there is an amendment or an alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If one of the proposals has been passed, the other proposals shall be deemed rejected, and no further voting shall be required.

Scrutineers and vote counting personnel for the voting on a proposal shall be appointed by the chairperson, provided that all monitoring personnel shall be shareholders of the company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting.

Article 13 A shareholder shall be entitled to one vote for each share held, except when shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights

by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation. 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.

When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the

physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online. When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14 (Election of directors and supervisors)

The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.

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

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

Article 15 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online

Article 16 (Public disclosure)

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the

number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above 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.

During this Corporation's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 (Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chairperson may direct the inspectors or security personnel to help maintain order at the meeting place. The pickets or security personnel shall wear armbands with the word "Picket" when maintaining order.

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the company, the chairperson may stop the shareholder from so doing.

If the shareholder violates the rules of procedures and defies the chairperson's instruction, and obstructs the proceedings and refuses to stop, the chairperson may direct the pickets or security personnel to escort the shareholder out of the venue.

Article 18 (Recess and resumption of a shareholders' meeting)

When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the agenda set by the shareholders' meeting cannot be finished before the end of the proceedings (including the extempore motions), the shareholders' meeting may pass a resolution to adopt a new venue.

The shareholders' meeting may, in accordance with the provisions of Article 182 of the Company Act, decide to postpone or resume the assembly within five days.

Article 19 (Disclosure of information at virtual meetings)

In the event of a virtual shareholders meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20 (Location of the chair and secretary of virtual-only shareholders meeting)

When this Corporation convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21 (Handling of disconnection)

In the event of a virtual shareholders meeting, this Corporation 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.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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.

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.

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.

When this Corporation 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.

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.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations hall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 23 These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

## Appendix 3

### Shareholding of All Directors

#### Lemtech Holdings Co., Limited

### Shareholding of All Directors

I. As of March 31, 2026, the date for suspension of share transfer for this annual shareholders' meeting, the company's paid-in capital is NT\$670,930,990, and the total number of outstanding shares is 67,093,099.

II. Details of shareholding of all directors on March 31, 2026, the date for suspension of share transfer:

Title	Name	Date elected	Current number of shares held	
			Shares	%age of shareholding
Chairman	Hsu, Chi-Feng	2024.06.18	8,687,680	12.95%
Director	Ye, Hang	2024.06.18	6,078,599	9.06%
Director	Tan, Yong	2024.06.18	2,188,216	3.26%
Director	Chen,Hui-Min	2024.06.18	0	0.00%
Independent director	Wang, Chi-Chuan	2024.06.18	0	0.00%
Independent director	Frank Cheng	2024.06.18	0	0.00%
Independent director	Hsieh, Ainsley	2024.06.18	0	0.00%
Total shareholding of directors			16,954,495	25.27%

Note 1: Article 26 of the Securities and Exchange Act is not applicable to us.

Note 2: We have set up the Audit Committee; therefore, shareholding of supervisors is not applicable.