

Stock No : 5538

Tong Ming Enterprise Co., Ltd.

*The 2020 Annual Meeting of Shareholders
Annual Meeting Agenda
(Translation)*



TONG

Growing a powerful future



Meeting time :10 am on June 15, 2020

Meeting venue:No. 801, Chongde Road, Zuoying District,

Kaohsiung

(The Garden Villa, Kaohsiung

International Plaza - Room 401)

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Tong Ming Enterprise Co., Ltd.

Procedure for the 2020 Annual Meeting of Shareholders

I. Meeting Procedures

1. Call the Meeting to Order
2. Chairman's Speech
3. Management Presentation (Company Reports)
4. Proposals
5. Discussions
6. Questions and Motions
7. Adjournment

Tong Ming Enterprise Co., Ltd.

The 2020 Annual Meeting of Shareholders

Agenda

II. Meeting Agenda

Time: 10am Friday, June 15, 2020

Meeting venue: No. 801, Chongde Road, Zuoying District, Kaohsiung (The Garden Villa, Kaohsiung International Plaza - Room 401)

- 1. Call the Meeting to Order**
- 2. Chairperson Speech**
- 3. Company Reports**
 - (1) 2019 Business report.**
 - (2) The Audit Committee's Report of the Financial Report of 2019**
 - (3) Distribution Report of Employees and Board Directors' Compensation of 2019**
 - (4) Report on the Issuance of the First Domestic Unsecured Convertible Corporate Bonds**
 - (5) Report on "Procedures for Ethical Management and Guidelines for Conduct".**
 - (6) Report on "Rules of Procedure for Shareholders Meetings".**
 - (7) Report on "Corporate Social Responsibility Best Practice Principles".**
- 4. Proposals**
 - (1) Approval of Business Report and Financial Statement of 2019**
 - (2) Approval of Net Earning Distribution of 2019**
- 5. Discussion**
 - (1) Revision of Articles of Incorporation**
 - (2) Amendments of "Rules of Procedure for Shareholders Meetings"**
- 6. Questions and Motions**
- 7. Adjournment**

III. Report Items

Proposal 1: Please Check the Company's Annual Business Status Report of 2019.

Note: For the 2019 Business Report, please refer to Attachment 1 in this pamphlet.

Proposal 2: Please check the Audited Financial Reports of 2019.

Note: For the Audit Committee Report, please refer to Attachment 2 in this pamphlet.

Proposal 3: Please Check the Distribution Report of Employees and Board Directors' Compensation of 2019.

Note: The Company compensates its employees and Board Directors according to the Articles of Incorporation. For the Distribution Report of Employees and Board Directors' Compensation, please refer to Attachment 3 in this pamphlet.

Proposal 4: Report on the First Issuance of Domestic Unsecured Convertible Corporate Bonds

Note: In order for the Company to repay bank loans, the 10th Board meeting of the 5th year, hosted on May 10, 2018, has approved the issuance of the first domestic unsecured convertible corporate bonds. Its total issuance is NT400 million, and the maturity is 3 years, with a coupon rate of 0%. This issuance has been registered with Taipei Exchange, and has completed its OTC issuance on August 23, 2018.

Proposal 5: Report on "Procedures for Ethical Management and Guidelines for Conduct".

Note: In accordance with the requirements of laws and regulations, the "Procedures for Ethical Management and Guidelines for Conduct" is proposed to be provided in Attachment 6 of this manual.

Proposal 6: Report on "Rules of Procedure for Board of Directors Meetings".

Note: In accordance with the requirements of laws and regulations, a comparison table of amendments to the "Rules of Procedure for Board of Directors Meetings" is proposed to be provided in Attachment 7 of this manual.

Proposal 7: Report on "Corporate Social Responsibility Best Practice Principles".

Note: In accordance with the requirements of laws and regulations, a comparison table of amendments to the "Corporate Social Responsibility Best Practice Principles" is proposed to be provided in Attachment 8 of this manual.

IV. Proposals

Proposal 1: Please approve the Company's Annual Business Status Report and Financial Statements of 2019.

(The proposal was submitted by the board of directors.)

Note: (1) The Company's 2019 consolidated financial statements have been audited by independent auditors, Mr.Ming-Chung Hsieh and Ms.Lu I-Chen of Deloitte Taiwan, and along with the Business Report and Net Earning Distribution Report, have been audited by the Audit Committee.

- (2) Regarding the Business Report, Accountant Audited Report and Consolidated Financial Statements, please refer to Appendix 1 and 4 in this pamphlet.
- (3) The agenda has been proposed for acknowledgment.

Resolutions:

Proposal 2: Please approve the Net Earning Distribution Report of 2019.(The proposal was submitted by the board of directors.)

- Note:
- (1) The net profit after tax of 2019 is NT466,097,553 After deducting 10% statutory surplus reserve of NT46,609,755 in accordance with the Articles of Incorporation, and after deducting the provisions of special surplus reserve of NT135,071,662,combined with the undistributed surplus of NT606,807,346 at the beginning of the period, the total distributable surplus of this year is NT891,223,482 Every share is scheduled to receive NT1.5 of dividend, and the total amount is NT252,000,000 After the above distribution, the Company will have NT639,223,482of surplus. Please refer to Appendix 5 of the pamphlet.
 - (2) The dividend is scheduled to be distributed on July 19, 2020.
 - (3) Should the distribution proportion change because of the change of the number of normal shares, the Shareholder Committee will assign the Chairman to handle all related matters.
 - (4) The agenda has been proposed for acknowledgment.

Resolutions:

V. Discussions

Proposal 1: Please discuss the revision of the Articles of Incorporation. (The proposal was submitted by the board of directors.)

Note: Regarding the revision of part of the Articles of Incorporation, please refer to Appendix 9 in this pamphlet.

Resolutions:

Proposal 2: Please discuss the revision of the Rules of Shareholder Meeting. (The proposal was submitted by the board of directors.)

Note: Regarding the change of the Rules of Shareholder Meeting, please refer to Appendix 10 in this pamphlet.

Resolutions:

VI. Questions and Motions

VII. Adjournment

Tong Ming Enterprise Co.,Ltd.
Business Report

I. 2019 Business results

(I) Results of business plan implementation

The Company's consolidated revenue for 2019 was NT\$8,807,059 thousand, which was basically the same as the revenue for 2018. Due to the fluctuation of raw material prices in 2019, the consolidated net income after tax decreased by approximately 13% comparing to 2018, to NT\$467,504 thousand, and the basic earnings per share was NT\$2.77. The following is a description of the operating results of the major operating units in the consolidated statements:

I. Tong Ming Enterprise (Zhejiang) Co., Ltd.:

1. Overall shipments continued to grow: Domestic demand in Mainland China grew steadily, although the slowdown in economic growth and trade frictions between China and the United States influenced ,overall shipments still grew by 9%. Operating income was flat due to fluctuations in raw material prices and exchange rate effects.
2. Shipments by business segment: The Company has a competitive edge in the pricing of fasteners for domestic sales and perfected channel services, with a shipment volume of approximately 41,000 tons in the current year, up 16% from the previous year and accounting for 52% of the total shipment volume. Fastener exports continued to be affected by trade frictions between the China and the United States, with shipments down by around 14% to around 14,000 tons for the year. Shipments of wire products increased by 17% due to the increase in customer availability, with a full year shipment of approximately 23,000 tons.

II. WinLink Fasteners Co., Ltd. and Tong Win International Co., Ltd. are mainly engaged in international trading business. Their sales accounted for 20% of the Group's consolidated revenue, with good cooperation with local distributors and stable results.

(II) Profitability analysis:

Items	2019	2018
Return of assets {=ROA} (%)	7.67	8.81
Return of equity {=ROE} (%)	12.06	13.91
Profir margin(%)	5.38	6.05
Earnings per share {=EPS} (Yuan)	2.77	3.19

Each of the ratios and earnings per share were lower than the previous period due to the lower profitability.

(III) Status of product research and service development.

The Company is a professional manufacturer of stainless steel fasteners. We improve the production process and develop new products in a stable and progressive way. To increase production capacity, we continue to introduce new production equipment, optimize production processes and enhance production efficiency. The establishment of the Channel Division, which integrates various divisions, has achieved significant results. During the year, the Group continued to improve the efficiency of shipment between the head office and large and medium-sized warehouses in each region, and expanded the scope of value-added services on the e-commerce platform to enhance customer service satisfaction.

(IV) Environmental and labour health and safety status:

The factory of Tong Ming Enterprise (Zhejiang), the main business unit of the Company, has obtained ISO14001 and OHSAS18001 certification, and the occupational safety of the factory staff is good throughout the year. In order to increase production capacity and reduce emissions, the Company constructed a new sewage treatment station, which was completed in 2019 and is operating well.

II. Summary of the business plan for 2020

(I) The main body of the business plan - Tong Ming Enterprise (Zhejiang) Co., Ltd.

1. In terms of domestic sales of fasteners:

China delays start of production in early 2020 due to COVID-19 epidemic. With the epidemic slowing down, the Company resumed work in February as the provinces were gradually unsealed and public transport was opened. The fastener domestic sales business has normalized and the plan for 2020 is as follows:

In terms of sales strategy: Maintain customers, optimize the existing value-added services of e-commerce, expand value-added services, expand cooperation with financial institutions, enhance quality customer supply chain financial services, and enhance cooperation with customers. The further increase in non-owned products, combined with the advantages of sourcing raw materials and the rapid response to market pricing, will continue to increase overall sales volume and market share.

In terms of channel development: The three regional warehouses and medium-sized warehouses have been operating well since their establishment. In view of the continuous growth of domestic shipments, we will expand the service area of each warehouse and add additional warehouses depending on the business situation to enhance customer service satisfaction. The branch is more focused on new customer development.

2. In terms of export of fasteners:

In 2020, the export business will be more affected by the trade friction between China and the United States and the global COVID-19 epidemic, the Company will continue to develop the e-commerce platform to develop new demand and increase sales of imported products.

3. In terms of wire products:

In 2019, the wire products will be combined with the multi-channel e-commerce platform to provide customers with timely inventory inquiries, the usage is good, the customer's stock of inventory increased. In 2020, the e-commerce service content will be optimized and new products will be added to enhance competitiveness.

(II) Subsidiaries WinLink and Tong Win:

The subsidiaries are mainly engaged in the export of fastener products. In early 2020, major overseas market countries will adopt different levels of closure measures in response to the COVID-19 epidemic, and shipments throughout the year will be affected by the development of the epidemic in each country. The Company continues to strengthen its relationships with customers in specific industries.

Global economic uncertainty in 2020 due to the COVID-19 epidemic and trade frictions between China and the United States, the export market will be clearer when the epidemic is under control in each country. The Company will continue to optimize its unique e-commerce business model that combines production and channels within China to further differentiate its services and enhance customer satisfaction.

Best wishes to all shareholders

Tong Ming Enterprise Co., Ltd.

Best regards

Chairman: Tsai Ching-Tung

General Manager: Tsai Hung-Chuan

Tong Ming Enterprise Co.,Ltd.
Audit Committee' Review Report

Approved

The Board of Directors has submitted the Company's 2019 Annual Business Report and Consolidated Financial Statements. The Consolidated Financial Statements have been audited by Certified Public Accountants Ming-Chung Hsieh and I-Chen Lu of Deloitte Taiwan, and an audit report has been issued. Please check the fact that the list the Board of Directors has submitted has been verified by the Audit Committee, and is considered to be consistent with Article 14(4) of the Securities and Exchange Act and Article 219 of the Company Act.

To:

2020 Annual General Meeting

Convener of the Audit Committee: Ko Yung-Hsiang

March 18, 2020

Attachment 3

Remuneration to the employees and the directors distribution statement

Tong Ming Enterprise Co.,Ltd.

Remuneration to the employees and the directors distribution statement

1. In accordance with the Articles of Incorporation, if there is any profit at the end of the fiscal year, 0.000 to 0.001 shall be allocated to employees' compensation, and no more than 5% of the aforementioned profit shall be allocated to Directors' compensation.
2. The profit of this fiscal year is NT466,097,553
3. In accordance with the Articles of Incorporation, the profit allocated to employees this fiscal year is 0.
4. In accordance with the Articles of Incorporation, the profit allocated to Directors this fiscal year is NT840,000, which is about 1.8% of the profit of this fiscal year.

Attachment 4

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Tong Ming Enterprise Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Tong Ming Enterprise Co., Ltd. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

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

Basis for Opinion

We conducted our audit of the consolidated financial statements for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission of the Republic of China on February 25, 2020, and auditing standards generally accepted in the Republic of China. We conducted our audit of the consolidated financial statements for the year ended December 31, 2018 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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

The Occurrence of Transactions with Some Major Customers

The Group's sales revenue for the year ended December 31, 2019 was \$8,807,059 thousand. Due to the materiality and significant risks in revenue recognition, we identified the occurrence of sales revenue from major customers that meet specific standards to be a key audit matter. Refer to Note 4 to the consolidated financial statements for details on revenue recognition.

The main audit procedures that we performed in respect of revenue recognition included the following:

1. We understood and tested the design and operating effectiveness of the key controls over the occurrence of revenue recognition.
2. We sampled the list of major customers, confirmed the related traded documents such as shipments to confirm the occurrence of revenue recognition.
3. We confirmed the accounts receivable as of December 31, 2019 and the total sales revenue for the year ended December 31, 2019 sent to major customers that meet specific standards.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 23, 2020

Notice to Readers

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

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

TONG MING ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

ASSETS	2019		2018	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 1,179,624	16	\$ 1,489,376	19
Financial assets at fair value through profit or loss - current (Notes 7 and 28)	254,239	4	298,618	4
Financial assets at amortized cost - current (Note 8)	99,605	1	20,095	-
Notes receivable, net (Notes 9 and 29)	312,201	4	267,998	4
Account receivables, net (Notes 9, 22 and 29)	1,471,299	20	1,353,550	18
Other receivables (Note 29)	4,487	-	6,135	-
Inventories (Notes 5 and 10)	2,638,591	36	2,844,974	37
Prepayments (Notes 15, 16 and 29)	127,957	2	133,668	2
Total current assets	6,088,003	83	6,414,414	84
NON-CURRENT ASSETS				
Investments accounted for using the equity method (Note 12)	29,682	-	25,476	-
Property, plant and equipment (Note 13)	1,004,208	14	908,148	12
Right-of-use assets (Note 14)	43,304	1	-	-
Other intangible assets	35,360	1	22,541	-
Deferred tax assets (Note 24)	26,915	-	36,045	1
Prepayments for equipment (Note 16)	96,796	1	218,976	3
Refundable deposits (Note 16)	3,338	-	604	-
Long-term prepayments for leases (Note 15)	-	-	33,020	-
Other non-current assets (Note 16)	1,792	-	2,078	-
Total non-current assets	1,241,395	17	1,246,888	16
TOTAL	\$ 7,329,398	100	\$ 7,661,302	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 17 and 29)	\$ 1,880,038	26	\$ 2,457,588	32
Financial liabilities at fair value through profit or loss - current (Notes 7 and 28)	40	-	-	-
Contract liabilities - current (Notes 20 and 22)	44,818	1	80,231	1
Notes payable	18,630	-	30,206	1
Account payables (Notes 19 and 29)	380,337	5	331,266	4
Other payables (Note 20)	236,463	3	245,334	3
Current tax liabilities (Note 24)	10,243	-	29,619	-
Lease liabilities - current (Note 14)	9,874	-	-	-
Other current liabilities (Note 20)	232	-	323	-
Total current liabilities	2,580,675	35	3,174,567	41
NON-CURRENT LIABILITIES				
Bonds payable (Note 18)	394,858	5	391,664	5
Long-term borrowings (Note 17)	266,049	4	-	-
Deferred tax liabilities (Note 24)	199,694	3	203,693	3
Lease liabilities - non-current (Note 14)	2,146	-	-	-
Total non-current liabilities	862,747	12	595,357	8
Total liabilities	3,443,422	47	3,769,924	49
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 21)				
Share capital	1,680,000	23	1,680,000	22
Capital surplus	916,905	13	916,905	12
Retained earnings				
Legal reserve	338,169	4	284,582	4
Special reserve	147,118	2	80,869	1
Unappropriated earnings	1,072,906	15	1,062,644	14
Total retained earnings	1,558,193	21	1,428,095	19
Exchange differences on translating the financial statements of foreign operations	(282,190)	(4)	(147,118)	(2)
Total equity attributable to owners of the Company	3,872,908	53	3,877,882	51
NON-CONTROLLING INTERESTS	13,068	-	13,496	-
Total equity	3,885,976	53	3,891,378	51
TOTAL	\$ 7,329,398	100	\$ 7,661,302	100

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

TONG MING ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales (Notes 22, 29 and 35)	\$ 8,807,059	100	\$ 8,886,549	100
OPERATING COSTS				
Cost of goods sold (Notes 10, 23 and 29)	<u>(7,585,139)</u>	<u>(86)</u>	<u>(7,558,551)</u>	<u>(85)</u>
GROSS PROFIT	<u>1,221,920</u>	<u>14</u>	<u>1,327,998</u>	<u>15</u>
OPERATING EXPENSES (Notes 23 and 29)				
Selling and marketing expenses	(369,158)	(4)	(358,290)	(4)
General and administrative expenses	(180,359)	(2)	(197,481)	(2)
Research and development expenses	(31,589)	-	(36,942)	(1)
Expected credit loss	<u>13,485</u>	<u>-</u>	<u>(6,901)</u>	<u>-</u>
Total operating expenses	<u>(567,621)</u>	<u>(6)</u>	<u>(599,614)</u>	<u>(7)</u>
PROFIT FROM OPERATIONS	<u>654,299</u>	<u>8</u>	<u>728,384</u>	<u>8</u>
NON-OPERATING INCOME AND EXPENSES (Note 23)				
Other income	23,249	-	25,412	-
Other gains and losses	24,031	-	25,466	1
Finance costs	(118,367)	(1)	(111,445)	(1)
Share of profit of associates and joint ventures	<u>5,263</u>	<u>-</u>	<u>4,382</u>	<u>-</u>
Total non-operating income and expenses	<u>(65,824)</u>	<u>(1)</u>	<u>(56,185)</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	588,475	7	672,199	8
INCOME TAX EXPENSE (Note 24)	<u>(120,971)</u>	<u>(2)</u>	<u>(134,757)</u>	<u>(2)</u>
NET PROFIT FOR THE YEAR	<u>467,504</u>	<u>5</u>	<u>537,442</u>	<u>6</u>

(Continued)

TONG MING ENTERPRISE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
OTHER COMPREHENSIVE LOSS				
Items that will not be reclassified subsequently to profit or loss:				
Exchange differences arising on translation to the presentation currency	\$ (142,459)	(1)	\$ (75,037)	(1)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>6,845</u>	<u>-</u>	<u>8,512</u>	<u>-</u>
Other comprehensive loss for the year, net of income tax	<u>(135,614)</u>	<u>(1)</u>	<u>(66,525)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 331,890</u>	<u>4</u>	<u>\$ 470,917</u>	<u>5</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 466,098	5	\$ 535,870	6
Non-controlling interests	<u>1,406</u>	<u>-</u>	<u>1,572</u>	<u>-</u>
	<u>\$ 467,504</u>	<u>5</u>	<u>\$ 537,442</u>	<u>6</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 331,026	4	\$ 469,621	5
Non-controlling interests	<u>864</u>	<u>-</u>	<u>1,296</u>	<u>-</u>
	<u>\$ 331,890</u>	<u>4</u>	<u>\$ 470,917</u>	<u>5</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 2.77</u>		<u>\$ 3.19</u>	
Diluted	<u>\$ 2.67</u>		<u>\$ 3.14</u>	

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

(Concluded)

TONG MING ENTERPRISE CO., LTD. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company										
	Share Capital		Capital Surplus			Retained Earnings			Other Equity		Total
	Shares (In Thousands)	Amount	Legal Reserve	Special Reserve	Unappropriated Earnings	Foreign Operations	Exchange Differences on Translating the Financial Statements of	Non-controlling Interests	Total Equity		
BALANCE AT JANUARY 1, 2018	168,000	\$ 1,680,000	\$ 216,214	\$ 32,529	\$ 1,063,482	\$ (80,869)	\$ 3,828,261	\$ 12,200	\$ 3,840,461		
Appropriation of 2017 earnings	-	-	68,368	-	(68,368)	-	-	-	-		
Legal reserve	-	-	-	-	(48,340)	-	-	-	-		
Special reserve	-	-	-	48,340	(420,000)	-	(420,000)	-	(420,000)		
Cash dividends distributed by the Company	-	-	-	-	-	-	-	-	-		
Net profit for the year ended December 31, 2018	-	-	-	-	535,870	-	535,870	1,572	537,442		
Other comprehensive loss for the year ended December 31, 2018, net of income tax	-	-	-	-	-	(66,249)	(66,249)	(276)	(66,525)		
Total comprehensive income (loss) for the year ended December 31, 2018	-	-	-	-	535,870	(66,249)	469,621	1,296	470,917		
BALANCE AT DECEMBER 31, 2018	168,000	1,680,000	284,582	80,869	1,062,644	(147,118)	3,877,882	13,496	3,891,378		
Appropriation of 2018 earnings	-	-	53,587	-	(53,587)	-	-	-	-		
Legal reserve	-	-	-	-	(66,249)	-	-	-	-		
Special reserve	-	-	-	66,249	(336,000)	-	(336,000)	-	(336,000)		
Cash dividends distributed by the Company	-	-	-	-	-	-	-	-	-		
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	(1,292)	(1,292)		
Net profit for the year ended December 31, 2019	-	-	-	-	466,098	-	466,098	1,406	467,504		
Other comprehensive loss for the year ended December 31, 2019, net of income tax	-	-	-	-	-	(135,072)	(135,072)	(542)	(135,614)		
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	466,098	(135,072)	331,026	864	331,890		
BALANCE AT DECEMBER 31, 2019	168,000	\$ 1,680,000	\$ 338,169	\$ 147,118	\$ 1,072,906	\$ (282,190)	\$ 3,872,908	\$ 13,068	\$ 3,885,976		

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

TONG MING ENTERPRISE CO., LTD. AND SUBSIDIARIES

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

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 588,475	\$ 672,199
Adjustments for:		
Depreciation expenses	143,458	133,078
Amortization expenses	3,548	2,631
Expected credit loss recognized on account receivables	(13,485)	6,901
Net gain on fair value changes of financial assets designated as at fair value through profit or loss	(49,759)	(10,706)
Interest expense	118,367	111,445
Interest income	(7,390)	(14,036)
Dividend income	(3,224)	(458)
Share of profit of associates and joint ventures	(5,263)	(4,382)
Loss on disposal of property, plant and equipment	10,826	3,725
Loss on disposal of associates	-	387
Write-downs of inventories	-	37,345
Amortization of prepayments for leases	-	1,262
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	-	54
Notes receivable	(44,203)	(91,480)
Account receivables	(103,592)	(22,227)
Other receivables	2,219	3,434
Inventories	212,491	(405,059)
Prepayments	3,918	35,446
Other current assets	-	75
Financial liability held for trading	-	(106)
Contract liabilities	(35,413)	21,565
Notes payable	(11,576)	3,100
Account payables	49,071	169,393
Other payables	(14,511)	(10,848)
Other current liabilities	(91)	(776)
Cash generated from operations	843,866	641,962
Income tax paid	(142,600)	(123,336)
Net cash generated from operating activities	<u>701,266</u>	<u>518,626</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(79,510)	-
Proceeds from sale of financial assets at amortized cost	-	81,580
Purchase of financial assets at fair value through profit or loss	(1,873,159)	(1,852,156)
Proceeds from sale of financial assets at fair value through profit or loss	1,947,847	2,170,293
Net cash inflow on disposal of associates	-	1,680
Payments for property, plant and equipment	(125,892)	(128,150)
Proceeds from disposal of property, plant and equipment	4,592	6,515

(Continued)

TONG MING ENTERPRISE CO., LTD. AND SUBSIDIARIES

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

	2019	2018
Increase in refundable deposits	\$ (2,734)	\$ (28)
Payments for intangible assets	(17,174)	(2,591)
Decrease in other non-current assets	286	143
Increase in prepayments for equipment	(28,998)	(137,733)
Interest received	6,819	14,055
Dividends received from associates	<u>3,224</u>	<u>458</u>
Net cash (used in) generated from investing activities	<u>(164,699)</u>	<u>154,066</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	-	325,272
Repayments of short-term borrowings	(577,550)	-
Proceeds from issuance of convertible bonds	-	395,170
Proceeds from long-term borrowings	266,049	-
Repayment of the principal portion of lease liabilities	(13,072)	-
Dividends paid to owners of the Company	(336,000)	(420,000)
Interest paid	(112,340)	(109,732)
Dividends paid to non-controlling interests	<u>(1,292)</u>	<u>-</u>
Net cash (used in) generated from financing activities	<u>(774,205)</u>	<u>190,710</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(72,114)</u>	<u>(45,184)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(309,752)	818,218
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,489,376</u>	<u>671,158</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,179,624</u>	<u>\$ 1,489,376</u>

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

(Concluded)

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

(Concluded)

Attachment 5

Statement of earnings distribution in 2019

Tong Ming Enterprise Co.,Ltd.
The 2019 Statement of Retained Earnings

<u>Item</u>	Unit: NTD <u>Amount</u>
Opening undistributed earnings	\$ 606,807,346
Add: Net income	466,097,553
Less: recognition of legal reserve	-46,609,755
Less: Appropriation of special reserve	-135,071,662
Current distributable earnings	<u>891,223,482</u>
Less: Distribution	
Shareholder dividends – cash (NTD1.5 per share)	<u>-252,000,000</u>
Closing undistributed earnings	<u><u>\$ 639,223,482</u></u>

Chairman: Tsai Ching-Tung Manager: Tsai Hung-Chuan Head of Accountant: Yen Hsien-Ying

Explanation:

1. In accordance with the Articles of Incorporation, if there is a surplus at the end of the fiscal year, the surplus shall first pay tax and make up for the previous losses, and then reserves for the statutory surplus reserve and special surplus reserve.
2. The special surplus reserve is the exchange difference due to the translation of the financial statements from foreign operating institutions.
3. Shareholder Dividend – cash: NT252,000,000 (NT1.5 x 168,000,000 shares)

Attachment 6

Provisions of the "Ethical Management Operating Procedures and Conduct Guide"

Tong Ming Enterprise Co., Ltd.

Ethical Management Operating Procedures and Conduct Guide

Article 1 Purpose and Scope of Application

The Company is engaged in business activities based on the principles of fairness, honesty, trustworthiness and transparency. In order to implement the policy of ethical management and actively prevent dishonest acts, the Company formulates these operating procedures and conduct guide in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and the relevant laws and regulations of the place where the Company and corporate groups and organizations operate, specifically regulating the matters that the Company's personnel shall pay attention to in the conduct of business. These operating procedures and conduct guide are applicable to the Company's subsidiaries, incorporated foundations that it has contributed directly or indirectly more than 50% of its funds in aggregate, and other corporate groups and organizations over which it has substantial control, such as institutions or juristic persons.

Article 2 Personnel to Whom this Documentation Applies

The Company's personnel, as referred to herein, are directors, supervisors, managers, employees, appointees and persons having substantial control of the Company and its corporate groups and organizations. Any improper benefit offered, promised, demanded or accepted by a personnel of the Company through a third party is presumed to be done by the personnel of the Company.

Article 3 Misconduct

The term "misconduct" as used herein refers to any act of offering, accepting, promising or demanding any improper benefits, directly or indirectly, by a personnel of the Company in the course of carrying out business, in order to acquire or maintain benefits, or engaging in any other act running counter to good faith, malfeasance or breach of fiduciary duty. Those whom the acts committed towards as referred to in the preceding paragraph include public officials, candidates for an official position, political parties or party personnel, and any public or private enterprises or institutions and their directors, supervisors, managers, employees, persons with substantial control or other interested parties.

Article 4 Interest Patterns

The term "interests" referred to herein means money, gifts, commissions, positions, services, preferential treatment, kickbacks, facilitation fees, entertainment, social engagements and other valuable things in any form or name.

Article 5 Dedicated Units and Responsibilities

The Company's dedicated units are under the Board of Directors and allocated adequate resources and competent personnel to handle and supervise the revision, implementation, interpretation, consulting services hereof and registration and filing of notification contents,

with the following responsibilities, and shall report to the Board of Directors.

1. Assisting in incorporating integrity and ethical values into the Company's management strategy, and establishing anti-corruption measures to ensure ethical management in accordance with laws and regulations.
2. Regularly analyzing and evaluating the risks of misconduct within the business scope, and formulating misconduct prevention programs, as well as the standard operating procedures and conduct guidelines related to the business within each program.
3. Planning internal organization, establishment and management, and putting mutual supervision and check and balance mechanisms in place for business activities with higher risk of misconduct within the business scope.
4. Promoting and coordinating honesty policy advocacy training.
5. Planning the reporting system to ensure the effectiveness of implementation.
6. Assisting the Board of Directors and management in checking and evaluating the effective operation of the preventive measures established for the implementation of good faith management, and regularly assessing the compliance with the relevant business processes and making reports.
7. Making and properly keeping documented information about the good faith management policy and its compliance statement, commitment fulfillment and implementation.

Article 6 Prohibition of Offering or Receiving Improper Benefits

The Company's personnel shall comply with the provisions of the "Company's Ethical Management Best Practice Principles" and the Operating Procedures and Conduct Guide when they provide, receive, promise or demand, directly or indirectly, the benefits set forth in Article 4, except for the following circumstances, and shall do so in accordance with the relevant procedures.

1. For business purposes, when visiting at home or abroad, receiving foreign guests, promoting business and communication and coordination, they shall act according to local manners, practices or customs.
2. Participating in or inviting others to participate in normal social activities for normal social customs, business purposes or to promote relations.
3. Inviting customers or being invited to attend specific business activities, visit factories, etc., as required by the business, with the payment method, the number of participants, the level of accommodation and the duration of such activities already specified.
4. Participating in folklore festivals held in public and to which the general public is invited.
5. Reward, relief, condolence or consolation, etc. from a supervisor.
6. Gifts received for engagement, marriage, childbirth, relocation, employment, promotion, retirement, resignation, separation, as well as injury, illness or death of oneself, one's spouse or immediate family members.
7. Other situations in line with the requirements of the Company.

Article 7 Procedures for Handling the Acceptance of Improper Benefits

In the event of any direct or indirect offer or promise of any benefit under Article 4 by any other

person to the Company's personnel, except as provided in the preceding article, the following procedures shall be followed:

1. Where the person who makes the offer or commitment is not an interested party to the Company personnel with respect to his/her position, the personnel shall, within three (3) days from the date of receipt, report it to his/her immediate supervisor and, if necessary, to the Company's dedicated unit.
2. Where the person who makes the offer or commitment is an interested party to the Company personnel with respect to his/her position, the personnel shall return or reject it, and shall report to his or her immediate supervisor and notify the Company's dedicated unit; if unable to return it, he or she shall, within three (3) days from the date of receipt, hand over the matter to the Company's dedicated unit for handling.

The term "being an interested party in terms of position" as mentioned in the preceding paragraph refers to any of the following circumstances:

1. Having business contacts, command and supervision, or giving/receiving subsidies/rewards.
2. Seeking, carrying on or having had entered into a contract, sale or other contractual relationship.
3. For those who will be adversely or favorably affected by the decision, execution or non-performance of the Company's business, the dedicated unit of the Company shall, in light of the nature and value of the benefits mentioned in the first paragraph, make recommendations for return, acceptance by payment, submission to the office, donation to charity institutions or other appropriate recommendations.

Article 8 (Prohibition of and handling procedure for facilitating payments)

The Company shall neither provide nor promise any facilitating payment.

If any personnel of the Company provides or promises a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 9 (Procedures for handling political contributions)

Political contributions by the Company shall be made in accordance with the following provisions, reported to the supervisor in charge for approval, and a notification given to the responsible unit, and when the amount of a contribution is NT\$_____ or more, it shall be made only after being reported to and approved by the board of directors:

1. It shall be ascertained that the political contribution is in compliance with the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made.
2. A written record of the decision-making process shall be kept.
3. Account entries shall be made for all political contributions in accordance with applicable

laws and regulations and relevant procedures for accounting treatment.

4. In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of the Company with the related government agencies shall be avoided.

Article 10 (Procedures for handling charitable donations or sponsorships)

Charitable donations or sponsorships by the Company shall be provided in accordance with the following provisions and reported to the supervisor in charge for approval, and a notification shall be given to the responsible unit. When the amount is NT\$_____ or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the board of directors:

1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where the Company is doing business.
2. A written record of the decision making process shall be kept.
3. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
4. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of the Company 's commercial dealings or a party with which any personnel of the Company has a relationship of interest.
5. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

Article 11 (Recusal)

When a Company director , supervisor, officer or other stakeholder attending or present at a board meeting, or the juristic person represented thereby, has a stake in a proposal at the meeting , that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner. Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter. If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions. No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any

personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.

Article 12 (Special unit in charge of confidentiality regime and its responsibilities)

The Company shall set up a special unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of the Company's trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures. All personnel of the Company shall faithfully follow the operational directions pertaining to intellectual properties as mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of the Company of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of the Company unrelated to their individual duties.

Article 13 (Prohibition against disclosure of confidential information)

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

Article 14 (Prevention of damage to stakeholders by products or services)

The Company shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of the Company to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services. The Company shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are media reports, or sufficient facts to determine, that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall recall those products or suspend the services, verify the facts and present a review and improvement plan.

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

Article 15 (Prohibition against insider trading and non-disclosure agreement)

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

involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Company shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

Article 16 (To follow and announce the policy of ethical management to outside parties)

The Company shall require a statement from its directors and top management that it follows the policy of ethical management, and shall require employees to follow the policy of ethical management in their terms of employment.

The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the Company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 17 (Ethical management evaluation prior to development of commercial relationships)

Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and will not request, offer, or take bribes.

When the Company carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

1. The enterprise's nationality, location of business operations, organizational structure, and management policy, and place where it will make payment.
2. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.
3. Whether enterprise's business operations are located in a country with a high risk of corruption.
4. Whether the business operated by the enterprise is in an industry with a high risk of bribery.
5. The long-term business condition and degree of goodwill of the enterprise.
6. Consultation with the enterprise's business partners on their opinion of the enterprise.
7. Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.

Article 18 (Statement of ethical management policy to counterparties in commercial dealings)

Any personnel of the Company, when engaging in commercial activities, shall make a statement to the trading counterparty about the Company's ethical management policy and

related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.

Article 19 (Avoidance of commercial dealings with unethical operators)

All personnel of the Company shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Company's ethical management policy.

Article 20 (Stipulation of terms of ethical management in contracts)

Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of the Company part of the terms and conditions of the contract, stipulating at the least the following matters:

1. When a party to the contract becomes aware that any personnel has violated the terms and conditions pertaining to prohibition of acceptance of commissions, rebates, or other improper benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other improper benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been resultant damage to either party, the party may claim from the other party for contract price as damages, and may also deduct the full amount of the damages from the contract price payable.
2. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
3. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 21 (Handling of unethical conduct by personnel of the Company)

The Company encourages insiders and outsiders for informing of unethical or unseemly conduct. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.

The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for Company insiders and outsiders to submit reports.

A whistleblower shall at least furnish the following information:

1. The whistleblower's name and I.D. number, and an address, telephone number and e-mail address where it can be reached.
2. The informed party's name or other information sufficient to distinguish its identifying features.
3. Specific facts available for investigation.

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

The responsible unit of the Company shall observe the following procedure:

1. An information shall be reported to the department head if involving the rank and file and to an independent director or supervisor if involving a director or a senior executive.
2. The responsible unit of the Company and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.
3. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.
4. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
5. With respect to a confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.
6. The responsible unit of the Company shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.

Article 22 (Actions upon event of unethical conduct by others towards the Company)

If any personnel of the Company discovers that another party has engaged in unethical conduct towards the Company, and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, the Company shall additionally notify the governmental anti-corruption agency.

Article 23 (Establishment of a system for awareness sessions, rewards, penalties, and complaints, and related disciplinary measures)

The responsible unit of the Company shall organize awareness sessions annually and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries.

The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in

accordance with applicable laws and regulations or the personnel policy and procedures of the Company.

The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.

Article 24 (Enforcement)

These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the board of directors, and shall be delivered to each supervisor and reported to the shareholders meeting.

When these Procedures and Guidelines are submitted to the board of directors for discussion, each independent director's opinions shall be taken into full consideration, and their objections and reservations expressed shall be recorded in the minutes of the board of directors meeting. An independent director that is unable to attend a board meeting in person to express objection or reservation shall provide a written opinion before the board meeting unless there is a legitimate reason to do otherwise, and the opinion shall be recorded in the minutes of the board of directors meeting.

The comparison table for the amendments of “Rules of Procedure for Board of Directors Meetings”

Tong Ming Enterprise Co., Ltd.

The comparison table of amendments to the “Rules of Procedure for Board of Directors Meetings”

Revision date: 6 March 2020

Amendments	Existing Provisions	Description
<p>4.5.1 Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair. Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.</p>	<p>4.5.1 Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.</p>	<ol style="list-style-type: none"> 1. Paragraph 1 is subject to textual amendments. 2. In accordance with Article 203, paragraph 4, of the Company Act, as amended on August 1, 2018, the first meeting of each newly elected board of directors can be called by a majority of elected directors on their own initiative; and Article 203-1, paragraph 3 of the Company Act, the meeting can be called by a majority of directors on their own initiative, hereby adds paragraph 2, where a meeting of the board of directors is called by a majority of directors on their own initiative (including the first meeting of each newly elected board of directors called by a majority of elected directors on their own initiative), the directors shall choose one person by and from among
<p>4.5.2 When the chairperson of the board is on leave or for any</p>	<p>4.5.2 When the chairperson of the board is on leave or for any</p>	

Amendments	Existing Provisions	Description
<p>reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairperson, the managing directors or directors shall select one person from among themselves to serve as chair.</p>	<p>reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairperson, the managing directors or directors shall select one person from among themselves to serve as chair.</p>	<p>themselves to chair the meeting.</p> <p>3. Existing paragraph 2 is moved to paragraph 3.</p>
<p>4.13.1 If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director. Where the spouse or a blood</p>	<p>4.13.1 If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of the Company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.</p>	<p>1. In accordance with Article 206, paragraph 3 of the Company Act amended on August 1, 2018, introduces paragraph 2, which specifies that where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an</p>

Amendments	Existing Provisions	Description
<p>relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.</p> <p>4.13.2 The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights.</p>	<p>4.13.2 Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, it shall be handled in accordance with the Articles of Association and relevant Regulations.</p>	<p>interested party with respect to that agenda item.</p> <p>2. Existing paragraph 2 is moved to paragraph 3, and in accordance with the amendment announcement of the Company Act of August 1, 2018, paragraph 3 of Article 206 is moved to paragraph 4, and amend the number of paragraphs adduced.</p>

Attachment 8

The comparison table for the amendments of “Corporate Social Responsibility Best Practice Principles”

Tong Ming Enterprise Co., Ltd.

The Comparison Table of Amendments to the “Corporate Social Responsibility Best Practice Principles”

Revision date: 6 March 2020

Amendments	Existing Provisions	Description
<p>Paragraph 3</p> <p>In fulfilling corporate social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p> <p>The Company shall conduct risk assessments of environmental, social and corporate governance issues related to the Company's operations and determine relevant risk management policies or strategies in accordance with the materiality principle.</p>	<p>Paragraph 3</p> <p>In fulfilling corporate social responsibility initiatives, TWSE/GTSM listed companies shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p>	<p>In accordance with the new version of the Blueprint for Corporate Governance (2018-2020), we plan to enhance the disclosure of non-financial information in the annual financial statements, and add a second paragraph with reference to the important international development trends and the evaluation paragraph 1 of the "Regulations Governing Information to be Published in Annual Reports of Public Companies" in Appendix 2-2-2, "Social Responsibility Fulfillment and Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and Reasons".</p>
<p>Paragraph 17</p> <p>The Company is advised to assess the current and future potential risks and opportunities of climate change</p>	<p>Paragraph 17</p> <p>TWSE/GTSM listed companies are advised to adopt standards or guidelines generally used in Taiwan and</p>	<p>1. Existing paragraph 2 is moved to paragraph 1. In accordance with the new version of the Blueprint for Corporate Governance</p>

Amendments	Existing Provisions	Description
<p>on its business and adopt measures to address climate related issues.</p> <p>The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> 1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company. 2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam. <p>The Company is advised to monitor the impact of climate change on their operations and should establish company strategies for energy conservation and carbon and greenhouse gas reduction based upon their operations and the result of a greenhouse gas inventory. Such strategies should include obtaining carbon credits to promote and minimize the impact of their business operations on climate change.</p>	<p>abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> 1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company. 2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam. <p>TWSE/GTSM listed companies are advised to monitor the impact of climate change on their operations and should establish company strategies for energy conservation and carbon and greenhouse gas reduction based upon their operations and the result of a greenhouse gas inventory. Such strategies should include obtaining carbon credits to promote and minimize the impact of their business operations on climate change.</p>	<p>(2018-2020), we plan to enhance the disclosure of non-financial information in the annual financial statements, and amend the content of this paragraph with reference to the important international development trends and the evaluation paragraph 3(3) of the "Regulations Governing Information to be Published in Annual Reports of Public Companies" in Appendix 2-2-2, "Social Responsibility Fulfillment and Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and Reasons".</p> <ol style="list-style-type: none"> 2. Existing paragraph 1 is moved to paragraph 2 without amendment. 3. Existing paragraph 2 with its back-end amended is moved to paragraph 3. Existing paragraph 2 is moved to paragraph 1. In accordance with the new version of the Blueprint for Corporate Governance (2018-2020), we plan to enhance the disclosure of non-financial information in the annual financial statements, and amend the

Amendments	Existing Provisions	Description
		<p>content of this paragraph with reference to the important international development trends and the evaluation paragraph 3(4) of the "Regulations Governing Information to be Published in Annual Reports of Public Companies" in Appendix 2-2-2, "Social Responsibility Fulfillment and Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and Reasons".</p>
<p>Paragraph 21</p> <p>The Company is advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.</p> <p>The Company shall establish and implement reasonable employee welfare measures (including remuneration, leave and other benefits, etc.) and appropriately reflect the corporate business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.</p>	<p>Paragraph 21</p> <p>TWSE/GTSM listed companies are advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.</p> <p>TWSE/GTSM listed companies shall appropriately reflect the corporate business performance or achievements in the employee remuneration policy, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.</p>	<p>Existing paragraph 2 is moved to paragraph 1. In accordance with the new version of the Blueprint for Corporate Governance (2018-2020), we plan to enhance the disclosure of non-financial information in the annual financial statements, and amend the content of paragraph 2 with reference to the important international development trends and the evaluation paragraph 4(2) of the "Regulations Governing Information to be Published in Annual Reports of Public Companies" in Appendix 2-2-2, "Social Responsibility Fulfillment and Differences from the Corporate Social Responsibility</p>

Amendments	Existing Provisions	Description
		Best Practice Principles for TWSE/GTSM Listed Companies and Reasons".
<p>Paragraph 24</p> <p>The Company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries.</p> <p>The Company shall follow relevant laws, regulations and international guidelines for customer health and safety, customer privacy, marketing and labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p>	<p>Paragraph 24</p> <p>TWSE/GTSM listed companies shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries.</p> <p>TWSE/GTSM listed companies shall follow relevant laws, regulations and international guidelines when marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p>	<p>In accordance with the new version of the Blueprint for Corporate Governance (2018-2020), we plan to enhance the disclosure of non-financial information in the annual financial statements, and amend the content of paragraph 2 with reference to the important international development trends and the evaluation paragraph 4(5) of the "Regulations Governing Information to be Published in Annual Reports of Public Companies" in Appendix 2-2-2, "Social Responsibility Fulfillment and Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and Reasons".</p>
<p>Paragraph 26</p> <p>The Company is advised to assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the corporate social responsibility initiative.</p> <p>Prior to engaging in commercial dealings, the</p>	<p>Paragraph 26</p> <p>TWSE/GTSM listed companies are advised to assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the corporate social responsibility initiative.</p> <p>Prior to engaging in commercial dealings, the</p>	<p>In accordance with the new version of the Blueprint for Corporate Governance (2018-2020), we plan to enhance the disclosure of non-financial information in the annual financial statements, and amend the content of paragraph 2 with reference to the important international development trends and the evaluation paragraph 4(6) of the "Regulations Governing</p>

Amendments	Existing Provisions	Description
<p>Company is advised to require suppliers to comply with regulations on environmental protection, occupational safety and health or labor human rights issues, assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.</p> <p>When the Company enter into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.</p>	<p>TWSE/GTSM listed companies are advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.</p> <p>When TWSE/GTSM listed companies enter into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.</p>	<p>Information to be Published in Annual Reports of Public Companies" in Appendix 2-2-2, "Social Responsibility Fulfillment and Differences from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies and Reasons".</p>

Attachment 9

The comparison table of the “Articles of Incorporation” before and after amendments

Tong Ming Enterprise Co., Ltd.

Comparison Table for ARTICLES OF ASSOCIATION

No.	Current Provisions	Proposed Amendments	Explanations
Article 2	<p>(1) In these Articles the following terms shall have the meanings set opposite unless the context otherwise requires:</p> <p>Applicable List the relevant laws, regulations, rules and codes 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 the Securities and Exchange Act of the R.O.C., the Company Act of the R.O.C., the Act Governing Relations Between Peoples of the Taiwan Area and the Mainland Area of the R.O.C., and any similar laws, statutes and the rules and regulations of the R.O.C. authorities thereunder, and the rules and regulations promulgated by the Financial Supervisory Commission,</p>	<p>(1) In these Articles the following terms shall have the meanings set opposite unless the context otherwise requires:</p> <p>Applicable List the relevant laws, regulations, rules and codes 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 the Securities and Exchange Act of the R.O.C., the Company Act of the R.O.C., the Business Mergers And Acquisitions Act of the R.O.C., the Act Governing Relations Between Peoples of the Taiwan Area and the Mainland Area of the R.O.C., and any similar laws, statutes and the rules and regulations thereunder, and the rules and regulations of the R.O.C. authorities thereunder, and the rules and regulations</p>	<p>In order to comply with the stock exchange’s amendment of the “Checking List of Protecting Rights of Foreign Issuer’s Shareholders in the Country of Registration” (hereinafter referred to as “Checking List of Protecting Rights of Shareholders, December 25, 2019”) by Tai-Zheng-Shan</p>

No.	Current Provisions	Proposed Amendments	Explanations
	<p>the Emerging Market, the TPEX and the TWSE (where applicable);</p> <p>Consolidation</p> <p>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;</p> <p>Merger</p> <p>the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company within the meaning of the Law and the Applicable Listing Rules;</p>	<p>promulgated by the Financial Supervisory Commission, the TPEX and the TWSE (where applicable);</p> <p>Consolidation</p> <p>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;</p> <p>Merger</p> <p>the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company within the meaning of the Law and the Applicable Listing Rules;</p> <p>Private Placement</p> <p>an offer by the Company of its Shares, bonds and other securities approved by the Commission to specific persons pursuant to the Applicable Listing Rules;</p>	<p>g-Er-Zi No. 1080023568 on December 25, 2019, the scope of Article 2 “Listing (Over-the-Counter) Regulations” is amended to expressly incorporate the relevant provisions of the “Business Mergers And Acquisitions Act” of Taiwan and the definition of “division” is amended with reference to the Company Act of Taiwan. The definition of “legal reserve” was amended by reference to the</p>

No.	Current Provisions	Proposed Amendments	Explanations
	<p>Ordinary Resolution</p> <p>a resolution:-</p> <p>(a) passed by a simple majority of such Members as, being entitled to do so, vote in person or, in the case of any Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles; and</p> <p>(b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorized representatives); and</p> <p>(c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the resolution so adopted shall be the date on which the instrument is executed;</p>	<p>Ordinary Resolution</p> <p>a resolution:-</p> <p>(a) passed by a simple majority of votes cast by such Members as, being entitled to do so, vote in person or, in the case of any Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles;</p> <p>(b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorized representatives); or</p> <p>(c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the resolution so adopted shall be the date on which the instrument is executed;</p>	<p>Ministry of Economic Affairs Jing-Shang-Zi No. 10802432410. Other definitions have been adjusted as appropriate to remove doubt.</p>

No.	Current Provisions	Proposed Amendments	Explanations
	<p>Special Resolution</p> <p>a special resolution of the Company passed in accordance with the Law, being a resolution:</p> <p>(a) passed by a majority of at least two-thirds of such Members as, being entitled to do so, vote in person or, in the case of any Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles, of which notice, specifying (without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a Special Resolution, has been duly given; and</p> <p>(b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings</p>	<p>Special Resolution</p> <p>a special resolution of the Company passed in accordance with the Law, being a resolution:</p> <p>(a) passed by a majority of at least two-thirds of votes cast by such Members as, being entitled to do so, vote in person or, in the case of any Members being Juristic Persons, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles, of which notice, specifying (without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a Special Resolution, has been duly given;</p> <p>(b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being Juristic Persons by their duly</p>	

No.	Current Provisions	Proposed Amendments	Explanations
	<p>(or being corporations by their duly authorized representatives); and</p> <p>(c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the special resolution so adopted shall be the date on which the instrument is executed.</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> <p>Spin-off</p> <p>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;</p>	<p>authorized representatives); or</p> <p>(c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the special resolution so adopted shall be the date on which the instrument is executed.</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> <p>Spin-off</p> <p>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 give shares, cash or other assets to the transferor company or to shareholders of the transferor company;</p>	

No.	Current Provisions	Proposed Amendments	Explanations
Article 7	<p>Statutory Reserve</p> <p>a reserve set aside in an amount equal to ten percent (10%) of the <u>annual profits of</u> the Company under the Applicable Listing Rules;</p> <p>(1) The Company shall issue Shares without printing share certificates, provided that the Register shall be conclusive evidence of the entitlement of a Person to Shares recorded against his/her/its name. During the Relevant Period, whenever the Company issues Shares, the Company shall deliver or cause the Shareholder Service Agent to deliver Shares by advising TDCC to record the number of Shares against the name of each subscriber within thirty (30) days from the date <u>such Shares may be delivered, pursuant to the Law.</u> The Company shall make a public announcement in accordance with the Applicable Listing Rules prior to the delivery of such Shares.</p>	<p>Statutory Reserve</p> <p>a reserve set aside in an amount equal to ten percent (10%) of the <u>total amount of after-tax net profit for the period and other items adjusted to the then-current year's undistributed earnings other than after-tax net profit for the period as calculated by</u> the Company under the Applicable Listing Rules;</p> <p>(1) The Company shall issue Shares without printing share certificates, provided that the Register shall be prima facie evidence of the entitlement of a Person to Shares recorded against his/her/its name. During the Relevant Period, whenever the Company issues Shares, the Company shall, <u>in compliance with the Law and the Applicable Listing Rules and subject to receipt of the subscription price from each subscriber,</u> deliver or cause the Shareholder Service Agent to deliver Shares by advising TDCC to record the number of Shares against the name of each subscriber within thirty (30) days from the date <u>the Board resolves to issue</u> Shares. The Company shall make a public announcement in accordance with the Applicable Listing Rules prior to the delivery of such Shares.</p>	<p>In order to comply with the "Checking List of Protecting Rights of Shareholders, December 25, 2019", Article 7, paragraph (2), is added to provide for expiration of the time limit set forth for payment on new shares, the subsequent</p>

No.	Current Provisions	Proposed Amendments	Explanations
	<p>(3) The Company shall not issue any unpaid Shares or partial paid-up Shares to any Person.</p>	<p><u>(2) When the total number of Shares in every issuance has been subscribed to in full, the Company shall immediately request each of the subscribers for payment. Where the Company issues Shares at a premium, the amount in excess of par value shall be collected at the same time with the payment for Shares. Where a subscriber delays payment for Shares as mentioned above, the Company shall prescribe a period of not less than one (1) month and call upon each subscriber to pay up, declaring that in case of default of payment within that prescribed period the subscriber's right shall be forfeited. After the Company have made the aforesaid call, the subscribers who fail to pay accordingly shall forfeit their rights and the Shares subscribed to by them shall be otherwise sold. Under such circumstances, the Company may hold the subscriber liable for compensating the damage, if any, resulting from such default in payment.</u></p> <p><u>(4) The Company shall not issue any unpaid Shares or partial paid-up Shares to any Person. For the avoidance of doubt, a subscriber who fails to pay up the Shares pursuant to Paragraph (2) of this Article will not be considered a Member until the Shares to be subscribed are paid in full, and only</u></p>	<p>provisions are deferred in turn, and the provisions of paragraph (1) and paragraph (4) of this Article (paragraph (3) of the original Article) are subject to textual adjustments.</p>

No.	Current Provisions	Proposed Amendments	Explanations
Article 8	<p>(a) upon each issuance of new Shares <u>(other than resulting from or in connection with any Merger or Consolidation of the Company, Spin-off of the Company's business, any reorganisation of the Company, asset acquisition, share swap, exercise of share options or warrants granted to the Employees, conversion of convertible securities or debt instruments, exercise of subscription warrants or rights to acquire Shares vested with preferential or special rights or where the Company issues new Shares to the existing Members by capitalisation of its reserves in accordance with these Articles)</u>, the Board may reserve not more than fifteen percent (15%) of the new Shares for subscription by the Employees; and</p>	<p><u>if the Shares the subscriber subscribed have been paid in full may the subscriber's name be entered in the Register.</u></p> <p>(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 <u>pursuant to the Law and the Applicable Listing Rules;</u> and</p>	<p>The provisions of subparagraph (a) of Article 8 shall be adjusted at its discretion to comply with the amendments to Article 10.</p>
Article 10	<p><u>The preceding Article</u> shall not apply whenever the new Shares are issued <u>for</u> the following <u>purpose</u>:</p> <p>(a) in connection with a Merger or a Consolidation of the Company or a Spin-off of the Company's business, or pursuant to any reorganisation of the Company;</p> <p>(b) in connection with meeting the Company's obligation</p>	<p><u>(1) Subparagraph (a) of Article 8 and Article 9</u> shall not apply whenever the new Shares are issued <u>due to</u> the following <u>reasons</u>:</p> <p>(a) in connection with a Merger or a Consolidation of the Company or a Spin-off of the Company's business, or pursuant to any reorganisation of the Company <u>save as otherwise provided by these Articles;</u></p> <p>(b) in connection with meeting the Company's obligation</p>	<p>In order to comply with the "Checking List of Protecting Rights of Shareholders, December 25, 2019", the</p>

No.	Current Provisions	Proposed Amendments	Explanations
	<p>under Share subscription warrants and/or options granted to the Employees;</p> <p><u>(c) in connection with meeting the Company's obligation under corporate bonds which are convertible bonds or vested with rights to acquire Shares;</u></p> <p><u>(d) in connection with meeting the Company's obligation under Share subscription warrant or Preferred Shares vested with rights to acquire Shares;</u></p> <p><u>(e) in connection with any share swap arrangement entered into by the Company, or</u></p> <p><u>(f) in connection with any private placement of equity-type securities conducted pursuant to Article 11-2(1); or</u></p> <p><u>(g) in connection with any other event otherwise prohibited, limited, restricted or exempted to so apply pursuant to the Law and/or the Applicable Listing Rules.</u></p>	<p>under Share subscription warrants and/or options granted to the Employees;</p> <p><u>(c) in connection with distribution of the Employees' compensation;</u></p> <p><u>(d) in connection with meeting the Company's obligation under corporate bonds which are convertible bonds or vested with rights to acquire Shares;</u></p> <p><u>(e) in connection with meeting the Company's obligation under share subscription warrant or Preferred Shares vested with rights to acquire Shares; or</u></p> <p><u>(f) in connection with issuance of new Shares to the existing Members by capitalisation of the Company's reserves in accordance with these Articles.</u></p> <p><u>(2) Article 8 and Article 9 shall not apply to any of the following circumstances:</u></p> <p><u>(a) the Company, as the surviving company, issues new Shares for a Merger, or the Company issues new shares for the Merger between its subsidiary and other companies;</u></p> <p><u>(b) all new Shares are issued as consideration</u></p>	<p>provisions of Article 10, paragraph (2) and (3) have been added, while the original Article 10 is adjusted to Article 10, paragraph (1), and the contents of each paragraph are amended with reference to the provisions of the Company Act of Taiwan.</p>

No.	Current Provisions	Proposed Amendments	Explanations
		<p><u>for being acquired by the other company with the intention of takeover;</u></p> <p><u>(c) all new Shares are issued as consideration for the acquisition of issued shares, business, or assets of other companies;</u></p> <p><u>(d) new Shares are issued for the share exchange entered into by the Company,</u></p> <p><u>(e) new Shares are issued for a Spin-off effected by the transferor company;</u></p> <p><u>(g) new Shares are issued in connection with any Private Placement conducted pursuant to Article 11-2(1); or</u></p> <p><u>(3) New Shares issued for any of the circumstances in the preceding Paragraph may be paid up in cash or assets as required for the business of the Company.</u></p>	
Article 11-1	The Company may, subject to approval of Shareholders by way of Special Resolution, issue new Shares with restricted rights as approved by such Special Resolution to employees of the Company and/or its Subordinate Companies. In respect of the issuance of Shares to	The Company may, subject to approval of Shareholders by way of Special Resolution, issue new Shares with restricted rights as approved by such Special Resolution to Employees of the Company and/or its Subordinate Companies, provided that Articles 8 and 9 shall not	The Company shall amend the content of the provisions to remove any

No.	Current Provisions	Proposed Amendments	Explanations
Article 31	<p>employees in the preceding sentence, the number of Shares to be issued, issue price, issue conditions, restrictions and other matters shall be subject to the Applicable Listing Rules and the Law.</p> <p>(e)any dissolution, voluntary winding-up, Merger, Consolidation, share swap or Spin-off of the Company;</p>	<p>apply. In respect of the issuance of Shares to Employees in the preceding sentence, the number of Shares to be issued, issue price, issue conditions, restrictions and other matters shall be subject to the Applicable Listing Rules and the Law.</p> <p>(e)any dissolution, voluntary winding-up, Merger, Consolidation, share exchange or Spin-off of the Company;</p>	<p>doubt in accordance with the provisions of the Company Act of Taiwan.</p> <p>For the avoidance of doubt, the terms of the provision are adjusted as appropriate.</p>
Article 41	<p>(1) Subject to the Law and the Applicable Listing Rules, the Company may by a Special Resolution:</p> <p>(h)carry out a private placement of equity-type securities;</p> <p>(2) Notwithstanding anything contained in these Articles, unless otherwise provided by the Law and the Applicable Listing Rules, in case the Company is dissolved after participating in the merger/consolidation or the Company is delisted from the TPEX or TWSE due to the general transfer (or the assignment of all rights and delegation of all</p>	<p>(1) Subject to the Law and the Applicable Listing Rules, the Company may by a Special Resolution:</p> <p>(f) enter into any share exchange;</p> <p>(i)carry out Private Placement</p> <p>(2) Notwithstanding anything contained in these Articles, unless otherwise provided by the Law and the Applicable Listing Rules, in case the Company is dissolved after participating in the merger/consolidation or the Company is delisted from the TPEX or TWSE due to the general transfer (or the assignment of all rights and delegation of all</p>	<p>In order to comply with the "Checking List of Protecting Rights of Shareholders, December 25, 2019", Article 41, paragraph (1), subparagraph (f) is added, the subsequent provisions are deferred in turn; the provisions of</p>

No.	Current Provisions	Proposed Amendments	Explanations
Article 43	<p>duties of the Company), the transfer of business or assets of the Company, any share swap arrangement or any Spin-off entered into or carried out by the Company while the surviving, transferee, existing or newly incorporated company is not a listed company (including TWSE/TPEX listed company), any such action aforementioned shall be approved by the affirmative vote of at least two-thirds (2/3) of the total votes cast by the Members of the Company.</p> <p>(2) Subject to the compliance with the Law, in the event <u>any part of the Company's business is involved in any Spin-Off, Merger or Consolidation</u>, a Member, <u>who has forfeited his right to vote on such matter and expressed his dissent therefor, in writing or orally with an entry to that effect in the minutes of the meeting before the relevant vote</u>, may request the Company to purchase all of his Shares at the then prevailing fair price.</p> <p>(3) Without prejudice to the Law, in the event the Company and a Member making a request pursuant to Paragraphs <u>(1) or (2)</u> of this Article fail to reach an agreement on the purchase price within sixty (60) days following the date of the resolution, the <u>Member may</u>, within thirty (30) days after such sixty (60) days period, file a petition to <u>the</u> Taiwan</p>	<p>duties of the Company), the transfer of business or assets of the Company, any share exchange or any Spin-off entered into or carried out by the Company while the surviving, transferee, existing or newly incorporated company is not a listed company (including TWSE/TPEX listed company), any such action aforementioned shall be approved by the affirmative vote of at least two-thirds (2/3) of the total votes cast by the Members of the Company.</p> <p>(2) Subject to the compliance with the Law, in the event <u>that the Company resolves to carry out any Spin-Off, Consolidation or Merger, acquisition or share exchange collectively, the "Merger and Acquisition"</u>, a Member <u>expressing</u> his dissent <u>in accordance with the Applicable Listing Rules</u> may request the Company to purchase all of his Shares at the then prevailing fair price.</p> <p>(3) Without prejudice to the Law, in the event the Company and a Member making a request pursuant to Paragraphs (2) of this Article fail to reach agreement on the purchase price within sixty (60) days following the date of the resolution, the <u>Company shall</u>, within thirty (30) days after such sixty (60) days period, file a petition <u>against all</u></p>	<p>paragraph (1), subparagraph (i) and paragraph (2) of this Article are subject to textual adjustments.</p> <p>In order to comply with the "Checking List of Protecting Rights of Shareholders, December 25, 2019", Article 43, paragraph (2) and (3) are amended and Article 43, paragraph (4) is added. In addition, in order to comply with this Article</p>

No.	Current Provisions	Proposed Amendments	Explanations
	<p>Taipei District Court of the R.O.C. for a ruling on the appraisal price. <u>However, for the purpose of protecting rights of the dissenting Member, the Company may elect to act in accordance with the laws of place where the securities of the Company are registered or listed.</u></p>	<p><u>Members who fail to reach such an agreement (collectively, the "Dissenting Members") in the R.O.C. Courts for a ruling on the appraisal price, and may designate Taiwan Taipei District Court as the court of first instance.</u></p> <p><u>(4) Without prejudice to the Law, a Member making a request pursuant to Paragraphs (1) or (2) of this Article shall make such request in writing within twenty (20) days after the date of the general meeting adopting resolutions with respect to the matter(s) as set out in Subparagraph (a), (b) or (c) of Paragraph (1) of Article 45 or the Merger and Acquisition, and specify the repurchase price. If the Member and the Company reach an agreement on the repurchase price, the Company shall pay for the Shares to be repurchased within ninety (90) days after the date of the general meeting adopting such resolutions. In case no agreement is reached, the Company shall pay the fair repurchase price determined at its discretion to the Dissenting Members with whom the Company fail to reach an agreement within ninety (90) days after the date of the general meeting adopting such resolutions. If the Company fails to pay the price, it shall be considered to have accepted the repurchase price proposed by such Dissenting Members.</u></p>	<p>and in accordance with the provisions of the Company Act of the British Cayman Islands, Article 43, paragraph (5) is added to expressly state that the right of a shareholder to make a requisition for the shares of a dissenting shareholder under the Company Act of the state of incorporation of the Company shall not be restricted or prohibited by the provisions of this Article in order to protect</p>

No.	Current Provisions	Proposed Amendments	Explanations
		<p><u>(5) Notwithstanding Paragraphs (2), (3) and (4) of this Article, nothing under this Article shall restrict or prohibit a Member from exercising his right under section 238 of the Companies Law (2020 Revision) of the Cayman Islands and any amendment or other statutory modification thereof to payment of the fair value of his shares upon dissenting from a Consolidation or Merger.</u></p>	<p>the interests of shareholders.</p>
Article 50	<p>(c) any entity in which the Company and (i) its holding company, and (ii) its Subordinate Company are legally or beneficially interested in more than fifty percent (50%) of its issued and voting share capital or equity capital.</p>	<p>(c) any entity in which the Company and (i) its holding company, and (ii) its Subordinate Company are legally or beneficially, <u>directly or indirectly</u>, interested in more than fifty percent (50%) of its issued and voting share capital or equity capital.</p>	<p>For the avoidance of doubt, the terms of the provision are adjusted as appropriate.</p>
Article 66-1	<p>(1) Without prejudice to the duties owed by a Director to the Company under common law of the Cayman Islands and subject to the Law, the Directors shall assume fiduciary duties to the Company and without limitation, <u>duty of care</u>, <u>and</u> exercise due care and skill in conducting the business operation of the Company. A Director may be liable to the Company if he acts contrary to his duties. In circumstances where a Director breaches any of such duties and acts for his/her or other Person's interest, the Company may, with the sanction of an Ordinary Resolution, take all</p>	<p>(1) Without prejudice to the duties owed by a Director to the Company under common law of the Cayman Islands and subject to the Law, the Directors shall assume fiduciary duties to the Company and without limitation, <u>the due care of a good administrator</u> exercise due care and skill <u>and act in the best interest of the Company</u> in conducting the business operation of the Company, <u>including matters in connection with Spin-off, Consolidation, Merger, or acquisition of the Company</u>. A Director may be liable to the Company if he acts contrary to his duties.</p>	<p>In order to comply with the "Checking List of Protecting Rights of Shareholders, December 25, 2019", hereby amend Article 66-1, paragraph (1). In addition,</p>

No.	Current Provisions	Proposed Amendments	Explanations
	<p>such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover any and all earnings derived from such act.</p> <p>(3) The preceding two Paragraph of this Article shall apply, mutatis mutandis, to the officers of the Company and <u>the Supervisors</u> who are authorised to act on its behalf in a senior management capacity.</p>	<p>In circumstances where a Director breaches any of such duties and acts for his/her or other Person's interest, the Company may, with the sanction of an Ordinary Resolution, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover any and all earnings derived from such act <u>as if such misconduct is done for the benefit of the Company.</u></p> <p>(3) The preceding two Paragraph of this Article shall apply, mutatis mutandis, to the officers of the Company who are authorised to act on its behalf in a senior management capacity.</p>	<p>the terms of Article 66-1, paragraph (3), shall be adjusted as appropriate with respect to the establishment of the Audit Committee.</p>
Article 70	<p>Paragraph 2 is added</p>	<p><u>(2) If the Board fails to comply with the Applicable Listing Rules, these Articles and any resolutions passed in a general meeting in dealing with matters in connection with Spin-off, Consolidation, Merger, or acquisition of the Company, as a result of which the Company suffers damages, any Director involved in decision-making related thereto shall be liable to the Company in respect of the damages suffered by the Company. However, a Director may be exempted from the liability if the minutes of the Board meeting or written statement demonstrates such Director's dissent.</u></p>	<p>In order to comply with the "Checking List of Protecting Rights of Shareholders, December 25, 2019", Article 70, paragraph (2) is added.</p>

No.	Current Provisions	Proposed Amendments	Explanations
Article 73.1	Newly added Section	<p><u>(1) During the Relevant Period, prior to any resolution of the Merger and Acquisition by the Board, the audit committee of the Company shall review the fairness and reasonableness of the plan and transaction of the Merger and Acquisition, and then submit review results to the Board and the general meeting of the Company. However, the audit committee of the Company may elect not to submit the aforesaid review results to the Members at a general meeting if the Law provides that the Merger and Acquisition to be resolved requires no approval by the Members.</u></p> <p><u>(2) When reviewing the abovementioned matters, the audit committee of the Company shall seek opinions from an independent expert on the reasonableness of the share exchange ratio or the distribution of cash or other assets.</u></p> <p><u>(3) The Company shall send the review results of the audit committee of the Company and opinions of independent experts to all Members together with the notice of general meeting in which the Merger and Acquisition is to be resolved. However, the Company shall report the Merger and Acquisition to the Members at the most recent general meeting if the Law provides that the Merger and Acquisition to be resolved requires no approval by</u></p>	In order to comply with the "Checking List of Protecting Rights of Shareholders, December 25, 2019", Article 73-1 is added.

No.	Current Provisions	Proposed Amendments	Explanations
Article 74	<p>(1) The office of a Director shall be vacated, if such Director:</p> <p>(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 convicted thereof, has not started serving the sentence, has not completed serving the sentence, or the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than five (5) years;</p> <p>(b) has been imposed a final sentence involving 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,</p>	<p><u>the Members.</u></p> <p><u>(4) If the Company posted the aforesaid review results and opinions of independent experts on a website designated by the R.O.C. competent authorities and arranged for the same documents to be made available at the venue of the general meeting of the Company for inspection by Members, those documents shall be deemed as having been sent to all Members.</u></p>	For the avoidance of doubt, the terms of the provision are adjusted as appropriate.
	<p>(1) The office of a Director shall be vacated, if such Director:</p> <p>(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 convicted thereof, and either (i) he has not started serving the sentence, (ii) he has not completed serving the sentence, or (iii) the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than five (5) years;</p> <p>(b) has been imposed a final sentence involving imprisonment for a term of more than one year for commitment of fraud, breach of trust or misappropriation, and either (i) he has not started serving the sentence, (ii) he has not completed serving the sentence, or (iii) the time elapsed after</p>		

No.	Current Provisions	Proposed Amendments	Explanations
	<p>or the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than two (2) years;</p> <p>(c) has been imposed a final sentence due to violation of the Anti-corruption Act, and has not started serving the sentence, has not completed serving the sentence, or the time elapsed completion of serving the sentence, expiration of the probation, or pardon is less than two (2) years; (<i>Omitted</i>)</p> <p>(f) dies or has been made by any competent court or authority on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and such order has not been revoked, or his legal capacity is restricted according to the applicable laws;</p>	<p>completion of serving the sentence, expiration of the probation, or pardon is less than two (2) years;</p> <p>(c) has been imposed a final sentence due to violation of the Anti-corruption Act, and <u>either (i) he</u> has not started serving the sentence, <u>(ii) he</u> has not completed serving the sentence, or <u>(iii) the</u> time elapsed completion of serving the sentence, expiration of the probation, or pardon is less than two (2) years;</p> <p>(f) dies or <u>an order</u> has been made by any competent court or authority on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and such order has not been revoked, or his legal capacity is restricted according to the applicable laws;</p>	
Article 82	<p>A Director who is in any way, whether directly or indirectly, interested in a matter discussed, considered or proposed in a meeting of the Board shall declare the nature of his interest and its essential contents <u>at the relevant meeting</u>. Where the spouse, a blood relative within the second degree of kinship of a Director as defined under the Civil Code of Taiwan, or any company which has a controlling or subordinate relation with a Director bear any interest in the matter under discussion at a Board meeting, such Director shall be deemed to bear a</p>	<p>A Director who is in any way, whether directly or indirectly, interested in a matter discussed, considered or proposed in a meeting of the Board shall declare the nature of his interest and its essential contents at <u>such relevant meeting</u>. <u>When the Company conducts any Spin-Off, Consolidation, Merger, or acquisition, a Director who bears any interest in the transaction shall explain the essential contents of such personal interest and the reason of approval or disapproval of the resolution in connection with the transaction in a</u></p>	<p>In order to comply with the "Checking List of Protecting Rights of Shareholders, December 25, 2019", Article 82 is amended.</p>

No.	Current Provisions	Proposed Amendments	Explanations
	<p>personal interest in the matter. Any Director who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a meeting of Board shall abstain from voting, on his own behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Director(s) shall not be counted in determining the number of votes for or against such matter.</p>	<p><u>meeting of the Board and the general meeting of the Company.</u> Where the spouse, a blood relative within the second degree of kinship of a Director as defined under the Civil Code of Taiwan, or any company which has a controlling or subordinate relation with a Director bear any interest in the matter under discussion at a Board meeting, such Director shall be deemed to bear a personal interest in the matter. Any Director who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a meeting of Board shall abstain from voting, on his own behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Director(s) shall not be counted in determining the number of votes for or against such matter.</p>	
Article 87	<p>Unless otherwise provided in the Law, the Applicable Listing Rules and these Articles, the Capital Reserve <u>set aside during the Relevant Period</u> shall <u>not</u> be used except for offsetting the losses of the Company. The Company shall not use the Capital Reserve to offset its capital losses unless <u>any</u> Statutory Reserve and Special Reserve <u>(to the extent applicable)</u> set aside for purposes of loss offset is insufficient to offset such losses.</p>	<p>Unless otherwise provided in the Law, the Applicable Listing Rules and these Articles, <u>neither the Statutory Reserve nor</u> the Capital Reserve shall be used except for offsetting the losses of the Company. The Company shall not use the Capital Reserve to offset its capital losses unless <u>the</u> Statutory Reserve and Special Reserve set aside for purposes of loss offset is insufficient to offset such losses.</p>	<p>Article 87 is amended by reference to the Company Act of Taiwan.</p>
Article 94	<p>Paragraph 2 is added.</p>	<p>(2) <u>If the Company keeps its accounting records and books of account at any place outside the Cayman Islands in accordance with the preceding</u></p>	<p>in order to comply with Company Act of</p>

No.	Current Provisions	Proposed Amendments	Explanations
Article 100	<p>Subject to the Law and the Applicable Listing Rules, during the Relevant Period, within <u>seven (7)</u> days after the receipt of the <u>notice of a public tender offer to purchase the Shares by the Company or the designated representative for litigious and non-litigious matters of the Company in the R.O.C. appointed pursuant to the Applicable Listing Rules, the Board shall resolve to recommend the Members to either accept or object to the tender offer and</u> make a public announcement of the following:</p> <p>(a) the types, number and amount of the Shares held by the Directors and the Members holding more than ten percent (10%) of the total issued and outstanding Shares <u>in its own name or in the name of other Persons;</u></p> <p>(b) the recommendations to the Members on <u>the</u> tender offer, which shall set forth the names of the Directors who abstain or object to the tender offer and the</p>	<p><u>paragraph, it shall, upon service of an order or notice pursuant to the Tax Information Authority Law and any amendment or other statutory modification thereof, make available, in electronic form or any other medium at its Registered Office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.</u></p> <p>Subject to the Law and the Applicable Listing Rules, during the Relevant Period, within <u>fifteen (15)</u> days after receipt of the <u>copy of the public tender offer report form, the public tender offer prospectus, and relevant documents,</u> the Company shall make a public announcement of the following:</p> <p>(a) the types, number and amount of the Shares held by the Directors and the Members holding more than ten percent (10%) of the total issued and outstanding Shares;</p> <p>(b) the recommendations <u>made by the Board</u> to the Members on <u>such</u> tender offer, which shall set forth the <u>identity and financial status of the tender</u></p>	<p>the British Cayman Islands, Article 94, paragraph (2) is added.</p> <p>In order to comply with Regulations Governing Public Tender Offers for Securities of Public Companies, Article 100 is amended.</p>

No.	Current Provisions	Proposed Amendments	Explanations
Article 102	<p>reason(s) therefore;</p> <p>(c) whether there is any material change in the financial condition of the Company after the delivery of its most recent financial report and <u>an explanation</u> of the change, if any; <u>and</u></p> <p>(d) the types, number and amount of the Shares of the tender offer or its affiliates held by the Directors and the Members holding more than ten percent (10%) of the total issued and outstanding Shares <u>held in its own name or in the name of other Persons.</u></p>	<p><u>offeror, fairness of the tender offer conditions, verification on rationality of source of fund for tender offer, and the names of the Directors who abstain or object to the tender offer and the reason(s) therefore;</u></p> <p>(c) whether there is any material change in the financial condition of the Company after the delivery of its most recent financial report and <u>the contents</u> of the change, if any;</p> <p>(d) the types, number and amount of the Shares of the tender offer or its affiliates held by the Directors and the Members holding more than ten percent (10%) of the total issued and outstanding Shares; <u>and</u></p> <p><u>(e) other relevant significant information.</u></p>	<p>For the avoidance of doubt, the terms of the provision are adjusted as appropriate.</p>
	<p>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 <u>in specie or kind</u> the whole or any part of the <u>assets</u> 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</p>	<p>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 <u>and distribute</u> amongst the Members the whole or any part of the <u>property</u> of the Company (whether they shall consist of property of the same kind or not) <u>in cash or asset</u> 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</p>	

No.	Current Provisions	Proposed Amendments	Explanations
Article 112	<p>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.</p> <p>Subject to the Law and <u>to the conditions contained in its Memorandum</u>, the Company may, by Special Resolution, alter <u>or add to its Articles</u>.</p>	<p>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.</p> <p>Subject to the Law and <u>the Applicable Listing Rules</u>, the Company may, by Special Resolution, alter <u>or amend the Memorandum or these Articles, in whole or in part</u>.</p>	<p>For the avoidance of doubt, the terms of the provision are adjusted as appropriate.</p>

Tong Ming Enterprise Co., Ltd.**The Comparison Table of Amendments to the “Rules of Procedure for Shareholder Meeting ”**

Revision date: 6 March 2020

Amendments	Existing Provisions	Description
<p>4.8.1 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The relevant motions (including extemporary motions and amendments to original motions) shall pass the resolution on a one agenda by one agenda basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p>	<p>4.8.1 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p>	<p>To comply with the full adoption of electronic voting by listed and OTC-listed companies from 2018, and to fulfill the spirit of one agenda by one agenda basis, amend paragraph 1.</p>
<p>4.8.4 The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extemporary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, and arrange for an adequate time for voting.</p>	<p>4.8.4 The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extemporary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, , and at least one member of each functional committee in person on behalf of the committee. The attendance shall be recorded in the meeting minutes.</p>	<p>To avoid the shareholders' meeting convener from overly restricting the time for shareholders to vote, which may affect the exercise of shareholders' voting rights, amend paragraph 4.</p>
<p>4.8.5 Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital or to compulsorily repurchase and cancel the shares of the Company in accordance with</p>	<p>4.8.5 Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital or to compulsorily repurchase and cancel the shares of the Company in accordance with Article 19-1(1) of the</p>	<p>In accordance with the Company Act, Act172, paragraph 4 is amended.</p>

Amendments	Existing Provisions	Description
<p>Article 19-1(1) of the Company's Articles of Incorporation, the 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 Company, or any matters under Article 185, paragraph 1 of the Company Act shall be itemized in the causes or subjects to be described and; the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice.</p> <p>A shareholders meeting shall be convened for the purpose of specifying a general re-election of directors and the date of assumption of office, and no change in the date of assumption of office shall be made by extemporary motion or otherwise at the same meeting after the completion of such re-election.</p> <p>4.8.6 Shareholders holding 1% or more of the total number of outstanding shares of a company may propose to the Company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single</p>	<p>Company's Articles of Incorporation, the application for the approval of ceasing its status as a public company, the dissolution, merger, or demerger of the Company or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs of R.O.C. or the Company, and such website shall be indicated in the above notice.</p> <p>4.8.6 During the listing period, shareholders holding 1% or more of the total number of outstanding shares of a company may propose to the Company a proposal for discussion at a regular shareholders' meeting in writing or by way of electronic transmission, provided that</p>	<p>In accordance with Jing-Shang-Zi No. 10702417500, dated August 6, 2018, add paragraph 5 of this Article.</p> <p>In accordance with the new amendment of Article 172-1, paragraph 1 and the addition of paragraph 5, amend the relevant text.</p>

Amendments	Existing Provisions	Description
<p>proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. A shareholder proposal proposed for urging a company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors. A shareholder proposal proposed in one of the circumstances set out in Article 172-1, paragraph 4, of the Company, the Board of Directors may exclude the proposal.</p> <p>4.8.7 Prior to the book closure date before a regular shareholders meeting is held, the companies shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>The number of words of a proposal to be submitted by a shareholder shall be limited to not more than 300 words, and any proposal containing more than 300 words shall not be included in the agenda of the shareholders' meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular shareholders' meeting</p>	<p>only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. In addition, 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 shall include it in the agenda. A shareholder proposal proposed for urging the Company to promote public interests or fulfill its social responsibilities, despite the circumstances provided in Article 172-1, paragraph 4, of the Company Act of Taiwan, may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors.</p> <p>New added paragraph</p>	

Amendments	Existing Provisions	Description
<p>whereat his proposal is to be discussed and shall take part in the discussion of such proposal.</p> <p>The Company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the shareholders' meeting to be convened.</p>		
<p>4.8.8</p> <p>When the Company holds a shareholders meeting, it may allow the shareholders to exercise 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 extemporaneous motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extemporaneous motions and amendments to original proposals.</p>	<p>New added paragraph</p>	<p>To comply with the full adoption of electronic voting by listed and OTC-listed companies from 2018, amend paragraph 2.</p>

Amendments	Existing Provisions	Description
<p>4.15 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 results (including statistical weights). When there is an election of directors, the number of votes received by each candidate shall be disclosed. The meeting minutes shall be retained for the duration of the existence of the Company.</p>	<p>4.15 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 results, and shall be retained for the duration of the existence of the Company.</p>	<p>To fulfill the spirit of one agenda by one agenda basis, refer to the Asian Corporate Governance Association's proposed amend paragraph 3.</p>

“Rules of Procedure for Board of Directors Meetings” (Before amendments)

Tong Ming Enterprise Co.,Ltd.

Rules of Procedure for Board of Directors Meetings

1. Purpose

The rule is established to ensure the Company has a good Board governance system, healthy supervisory ability, and to strengthen its management function.

2. Scope and applicable objects:

2.1 Scope: The procedure content, operating procedures, matters in the minutes of meeting, announcements, and other compliances of the Company’s “Rules of Procedure for Board of Directors Meetings” must be processed in accordance with the Rules.

2.2 Applicable objectives: The Company and its consolidated subsidiaries.

3. Units on duty: All departments

4. Work procedure

4.1 Convening of the Board Meeting and Meeting Notice

4.1.1 The Board of the Company shall convene once quarterly.

4.1.2 Convening the Board Meeting shall state the purpose, and the Chairman needs to convene 7 days prior to the meeting during the listing period, and 48 hours before the meeting during the non-listing period. However, in case of emergency and when approved by more than half of the Directors, the Meeting may be convened at any time.

4.1.3 The items specified in 4.10 of the Procedures shall be itemized on the reason for the session unless it is an emergency or with justifiable reasons, and cannot be presented as extemporary motions.

4.2 Meeting Notice and meeting information

4.2.1 The Board appoints the General Manager’s Office as the department handling all Board Meeting related matters.

4.2.2 The department responsible for the meeting affair shall have the contents of the procedure drafted up and have sufficient meeting materials prepared for distribution at the time of sending out the notice of convening the board meeting.

4.2.3 Board directors may request additional information from the department responsible for the meeting affair. The Board of Directors may resolve to have the board meeting postponed if the directors consider the proposal materials are insufficient.

4.3 Preparation of a Sign-in Registry and attendance at the session by proxy

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

4.3.2 Directors shall attend the board meeting in person. Directors who cannot attend the board meeting in person may have other directors attended the board meeting by proxy in accordance with the Company’s Articles of Incorporation, such as, attending the board meeting by video conference.

- 4.3.3 When directors have attended the board meeting by other directors, a proxy must be issued each time and the scope of authorization for the meeting convened must be cited.
- 4.3.4 The proxy here may only represent one person.
- 4.4 The principles of the venue and time of the Board Meeting
- The Company's board meeting location and time should be at the Company's premise and in the office hours, or, the location and time that is suitable for board directors' attending.
- 4.5 The Chairman and proxy of the Board Meeting
- 4.5.1 The Company's Chairman is to convene and chair the board meeting. However, the first board meeting of each term is to be convened and chaired by the director that receives the most ballots in the shareholders' meeting. If there are two or more directors with right to convene the meeting, one of them is to be elected for the position.
- 4.5.2 The Chairman who is on leave of absence or is unable to perform duty is represented by the Vice Chairman. If there is no Vice Chairman or the Vice Chairman is also on leave of absence or is unable to perform duty, the Chairman is to appoint one general director to perform duty. If there is no general director, the Chairman is to appoint one director to perform duty. If the Chairman does not have a representative appointed to perform duty, one of the general directors or directors is elected to perform duty.
- 4.6 The reference information, attending members and convening of the Board Meeting
- 4.6.1 The General Manager's Office shall prepare all related information for the Directors' reference at the time of the Board Meeting.
- 4.6.2 The management of the relevant departments who is not a board director may be notified to attend the board meeting depending on the contents of the proposal. If necessary, the CPAs, lawyers, or other professionals may also be invited to attend the board meeting.
- 4.6.3 The Chairman shall declare the board meeting in session at the meeting time with the attendance of a majority of the directors. The Chairman may declare postponing the meeting at the meeting time with the attendance of less than a majority of the directors. The meeting is limited to two postpones. Even after delaying the Meeting twice, there is still less than quorum to begin the Meeting, the Chairman may reconvene in accordance with 4.1.2.
- All Directors referred to in 4.6.4 and 4.14.2 are referencing to Directors who are actually in office.
- 4.7 Video and Audio Recording of Board of Directors Meetings
- 4.7.1 The Company's board meeting in session must be recorded or filmed for record for minimum five years and it can be reserved electronically.
- 4.7.2 If legal action has been instituted by a third party before the expiration of the aforementioned retention period, related voice records or videotapes kept as minutes of the meeting on record of the Board on certain resolutions shall be kept until the conclusion of the legal action.
- 4.7.3 Audiovisual data on video conferences of the Board shall be kept as an integral part of the minutes of the meeting on record, and shall be kept within the perpetuity of the Company.

- 4.8 The contents of the Meeting: The Company's regular Board Meeting shall include at least the following:
- 4.8.1 Reporting items:
 - 4.8.1.1 Last minutes of meeting and its execution;
 - 4.8.1.2 Important financial statement report;
 - 4.8.1.3 Internal audit report;
 - 4.8.1.4 Other important reporting matters.
 - 4.8.2 Items to be discussed:
 - 4.8.2.1 The opening issues from the last session of the board meeting;
 - 4.8.2.2 The matters scheduled for discussion in the current meeting;
 - 4.8.3 Motions.
- 4.9 Discussion of Meeting Agenda
- 4.9.1 The Board shall proceed with the agenda for the session as inscribed in the notice. The agenda and the priority of the motions for discussion may be altered only at the approval of the Directors by a simple majority.
 - 4.9.2 The Chairman shall not announce the adjournment of the session without the consent of the Directors by a simple majority.
 - 4.9.3 If a session of the Board lacks the presence of more than half of the Directors, the Chairman may announce the suspension of the session at the suggestion of the Directors in a session where 4.6.3 shall be applicable.
- 4.10 Items shall be discussed in the Board Meeting
- 4.10.1 The following matters shall be submitted to the Company's Board of Directors for discussion:
 - 4.10.1.1 The Company's operating plan;
 - 4.10.1.2 Annual financial reports and interim financial report. But the semi-annual financial report is not required by law and regulations to be audited by the CPAs; therefore, it is not subject to this requirement.
 - 4.10.1.3 The institution or amendment to the internal control system pursuant to Article 14-1 of the Securities and Exchanges Act, and the evaluation of the effectiveness of the system.
 - 4.10.1.4 Stipulate or revise the regulations governing the significant financial business behaviors, including the acquisition and disposal of assets, trading of financial derivatives, lending of capital, loaning of funds, and making of endorsement in accordance with Article 36.1 of the Securities and Exchange Act.
 - 4.10.1.5 Public offering, issuance, or private placement of equity-type securities;
 - 4.10.1.6 The appointment and dismissal of the Finance Officer, Accounting Officer, or Internal Chief Auditor;
 - 4.10.1.7 Donation to a related party or a significant donation to a non-related party. However, the charitable donation for an emergency relief of major natural disasters may be submitted in the next Board meeting for ratification.

- 4.10.1.8 The matters to be resolved in the shareholders' meeting or Board meeting in accordance with Article 14-3 of the Securities and Exchange Act, the other laws and regulations, or the Articles of Association, or the major matters to be resolved in accordance with the requirements of the competent authorities;

The "related party" in Paragraph 7 in the preceding paragraph refers to the "related party" described in the "Regulations Governing the Preparation of Financial Reports by Securities Issuers." The alleged "significant donation to a non-related party" refers to the donation amount of each transaction or the cumulative donation amount to one donee within one year for over NTD100 million, 1% of the net operating income stated in the most recent financial report audited by the CPAs, or 5% of the paid-in capital. (If the shares issued by foreign companies have no face value or the face value is not NT\$10/share, the amount of 5% of the paid-in capital shall be based on 2.5% of the shareholders' equity.) The alleged "within one year" in the preceding paragraph is the year prior to the current Board meeting convening date, retroactively; also, the proposal that is already resolved in the Board meeting is not subject to this requirement.

- 4.10.2 If the Company has reserved seats for Independent Directors, at least 1 seat shall be present in the session of the Board. In the resolution for motions presented in the Board session as stated in Paragraph 1, the presence of all independent Directors is required. If particular Independent Director cannot attend the meeting in person, another Independent Director shall be appointed as proxy to the meeting. The objections or reservations, if any, of the independent directors should be detailed in the minutes of the Board meeting. If the independent directors cannot attend the Board meeting in person to express their objections or reservations, in addition to being justified, they shall issue a written opinion in advance to be detailed in the minutes of Board meeting.

4.11 Voting (1)

- 4.11.1 A Chairman who believes that the proposal under discussion is ready for voting may at his discretion stop the discussion and call for a vote.
- 4.11.2 A motion shall be deemed passed if there is no adverse opinion after the Chairman has asked for opinions from the Directors in the session. The effect shall be construed as the same as a motion passed by balloting. The Chairman is to put the motion to vote if there is any objection from any of the directors presented at the board meeting.
- 4.11.3 The Chairman is to have the way of balloting determined in accordance with one of the following alternatives; however, the opinion of the majority shall prevail upon the objection of the directors presented:
- 4.11.3.1 Balloting by raising hands or voting device
 - 4.11.3.2 Roll-call vote;
 - 4.11.3.3 Vote;
 - 4.11.3.4 The Company's own choice of balloting
- 4.11.4 All attending Directors, not including Directors with no voting rights in accordance with the Articles of Incorporation.

4.12 Vote (2) and method of poll watch, vote counting

- 4.12.1 The Board Meeting's resolution, unless otherwise stated in the Articles of Incorporation and related law, shall be attended by more than half of the Directors, and items approved are items approved by more than half of the attending Directors.
- 4.12.2 When there is an amendment or alternative for the same motion, the Chairman shall have the order of vote, including the original proposal, determined accordingly. However, if one of the proposals is balloted and passed, other proposals shall be deemed as vetoed without the need of further balloting.
- 4.12.3 The Chairman is to appoint the controllers of ballot and tally clerks who are board directors for the proposals put to vote, if any. The outcome of the vote must be documented and announced on site.

4.13 Directors' Conflict of Interest Prevention

- 4.13.1 Board directors may express their opinions and answer and inquire their interests in the underlying matters that may be detrimental to the Company's interests, but they may not participate in the discussion and balloting; also, they are not allowed to join the discussion and voting and must be excused from the meeting and cannot act for other directors to exercise their voting right.
- 4.13.2 For Directors who may not exercise voting rights due to reasons stated in the previous provision, they shall act in accordance with the Articles of Incorporation for the resolution of the Board Meeting.

4.14 Meeting Minutes and Signed Items

- 4.14.1 The minutes of meeting must be prepared for the Company's board meeting with the following information detailed:
 - 4.14.1.1 The session (or year), time, and place of the meeting;
 - 4.14.1.2 The name of the chairman;
 - 4.14.1.3 Directors' attendance, including the name and the number of the directors who are or are not (leave of absence or absence) at the meeting;
 - 4.14.1.4 Name and title of the attendees;
 - 4.14.1.5 The names inscribed;
 - 4.14.1.6 Reporting Items;
 - 4.14.1.7 Issues to be discussed: Proposal resolution methods and results, statements of the directors, experts, and other staff, and documented or written objections or reservations, including the written opinions proposed by the independent directors in accordance with 4.10.2.
 - 4.14.1.8 Motion: The names of the proposer, the proposal resolution methods and results, the statement of the directors, experts, and other staff, and documented or written objections or reservations.
 - 4.14.1.9 Other remarks.
- 4.14.2 If any of the following is applicable to the matters for resolutions of the Board, specify the detail in the minutes of the meeting on record, and announce the declaration at MOPS as designated within 2 days after the session of the Board.
 - 4.14.2.1 The objections or reservations of the independent directors that are recorded or in writing.

4.14.2.2 If the Company has the Audit Committee, but was not approved by the Audit Committee and rather was approved by two-thirds of the entire Directors.

4.14.3 The attendance register is an integral part of the minutes of meeting and should be reserved properly throughout the duration of the company.

4.14.4 The presiding Chairman and the clerk must sign the minutes of the meeting. In addition, it should be distributed to all directors within twenty days after the meeting. The minutes of the meeting should be classified as an important document of the Company and should be properly reserved throughout the duration of the Company.

4.14.5 The preparation and distribution of the minutes of shareholders' meeting can be processed electronically.

4.15 Authorization

Other than 4.10.1 being discussed in the Board Meeting, the level and content of the Board's authorization shall be clearly stated in accordance with the law or Articles of Incorporation.

5. Related attachment: None

6. Related departments: All departments

This procedure was established on April 16, 2010 after approved in the Board Meeting.

This procedure was first amended on May 19, 2010 after approved in the Shareholders' Meeting.

This procedure was second amended on May 13, 2013 after approved in the Shareholders' Meeting.

The procedure was third amended on June 27, 2016 after being approved by the Shareholders' Meeting.

The procedure was fourth amended on June 19, 2018 after being approved by the Shareholders' Meeting.

“Corporate Social Responsibility Best Practice Principles” (Before amendments)

Tong Ming Enterprise Co., Ltd. Corporate Social Responsibility Best Practice Principles

Chapter I General Principles

- Article 1 To fulfill their corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, hereby adopt the Principles to be followed by the Company. The Company is advised to promulgate its own corporate social responsibility principles in accordance with the Principles to manage its economic, environmental and social risks and impact.
- Article 2 The Principles applies to the Company, the entire operations of the Company and its business group.
The Company shall actively fulfill its corporate social responsibility in the course of its business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on corporate social responsibility.
- Article 3 In fulfilling corporate social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, respect for social ethics and give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.
- Article 4 To implement corporate social responsibility initiatives, the Company is advised to follow the principles below:
1. Exercise corporate governance.
 2. Foster a sustainable environment.
 3. Preserve public welfare.
 4. Enhance disclosure of corporate social responsibility information.
- Article 5 The Company shall take into consideration the correlation between the development of domestic and international corporate social responsibility principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility programs, which shall be approved by the board of directors and then reported to the shareholders meeting. When a shareholder proposes a motion involving corporate social responsibility, the Company's board of directors is advised to review and consider including it in the shareholders meeting agenda.

Chapter 2 Exercising Corporate Governance

- Article 6 The Company is advised to follow the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Code of Ethical

Conduct for TWSE/GTSM Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.

Article 7 The directors of the Company shall exercise the due care of good administrators to urge the company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies.

The board of directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters, in the Company's performance of its corporate social responsibility initiatives:

1. Identifying the Company's corporate social responsibility mission or vision, and declaring its corporate social responsibility policy, systems or relevant management guidelines
2. Making corporate social responsibility the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives; and
3. Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information.

The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.

Article 8 The Company is advised to, on a regular basis, organize education and training on the implementation of corporate social responsibility initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9 For the purpose of managing corporate social responsibility initiatives, the Company is advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.

The Company is advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with corporate social responsibility policies, and that a clear and effective incentive and discipline system be established.

Article 10 The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important corporate social responsibility issues which they are concerned about.

Chapter 3 Fostering a Sustainable Environment

- Article 11 The Company shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.
- Article 12 The Company is advised to endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.
- Article 13 The Company is advised to establish proper environment management systems based on the characteristics of their industries. Such systems shall include the following tasks:
1. Collecting sufficient and up-to-date information to evaluate the impact of the Company's business operations on the natural environment.
 2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
 3. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis.
- Article 14 The Company is advised to establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for their managerial officers and other employees on a periodic basis.
- Article 15 The Company is advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:
1. Reduce resource and energy consumption of their products and services.
 2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
 3. Improve recyclability and reusability of raw materials or products.
 4. Maximize the sustainability of renewable resources.
 5. Enhance the durability of products.
 6. Improve efficiency of products and services.
- Article 16 To improve water use efficiency, the Company shall properly and sustainably use water resources and establish relevant management measures.
The Company shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use their best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.
- Article 17 The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:
1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the Company.
 2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.

The Company is advised to monitor the impact of climate change on their operations and should establish company strategies for energy conservation and carbon and greenhouse gas reduction based upon their operations and the result of a greenhouse gas inventory. Such strategies should include obtaining carbon credits to promote and minimize the impact of their business operations on climate change.

Chapter 4 Preserving Public Welfare

Article 18 The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.

The Company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:

1. Presenting a corporate policy or statement on human rights.
2. Evaluating the impact of the Company's business operations and internal management on human rights, and adopting corresponding handling processes.
3. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.
4. In the event of any infringement of human rights, the company shall disclose the processes for handling of the matter with respect to the stakeholders involved.

The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities. The Company shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. A company shall respond to any employee's grievance in an appropriate manner.

Article 19 The Company shall provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.

Article 20 The Company is advised to provide safe and healthful work environments for their employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents. The Company is advised to organize training on safety and health for their employees on a regular basis.

Article 21 The Company is advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills. The Company shall appropriately reflect the corporate business performance or achievements in the employee remuneration policy, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

- Article 22 The Company shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the Company's operations, management and decisions. The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives. The Company shall, by reasonable means, inform employees of operation changes that might have material impacts.
- Article 23 The Company shall take responsibility for its products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the Company shall ensure the transparency and safety of its products and services. It further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.
- Article 24 The Company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. The Company shall follow relevant laws, regulations and international guidelines when marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.
- Article 25 The Company is advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society. The Company is advised to provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.
- Article 26 The Company is advised to assess the impact its procurement has on society as well as the environment of the community that it is procuring from, and shall cooperate with their suppliers to jointly implement the corporate social responsibility initiative. Prior to engaging in commercial dealings, the Company is advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy. When the Company enters into a contract with any of its major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.
- Article 27 The Company shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance. The Company is advised to, through commercial activities, endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.

Chapter 5 Enhancing Disclosure of Corporate Social Responsibility Information

Article 28 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their corporate social responsibility initiatives to improve information transparency.

Relevant information relating to corporate social responsibility which the Company shall disclose includes:

1. The policy, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility initiatives, as resolved by the board of directors.
2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
3. Goals and measures for realizing the corporate social responsibility initiatives established by the companies, and performance in implementation.
4. Major stakeholders and their concerns.
5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
6. Other information relating to corporate social responsibility initiatives.

Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing corporate social responsibility reports, to disclose the status of their implementation of the corporate social responsibility policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:

1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing corporate social responsibility initiatives.
2. Major stakeholders and their concerns.
3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development.
4. Future improvements and goals.

Chapter 6 Supplementary Provisions

The Company shall at all times monitor the development of domestic and foreign corporate social responsibility standards and the change of business environment so as to examine and improve their established corporate social responsibility framework and to obtain better results from the implementation of the corporate social responsibility policy.

Chapter 7 Implementation

The establishment and amendment of these Regulations shall be discussed by the Audit Committee and submitted to the Board of Directors for approval before being submitted to the shareholders' meeting for resolution.

The date set for this procedure is December 30, 2014 by resolution of the Board of Directors' meeting.

The date set for this procedure is June 15, 2015 by resolution of the shareholders' meeting.

“The Company's Articles of Incorporation” (Before amendments)

Tong Ming Enterprise Co.,Ltd. Memorandum of Association

1. The name of the company is **Tong Ming Enterprise Co., Ltd.**
2. The Registered Office of the Company shall be at the offices of McGrath Tonner Corporate Services Limited at Genesis Building, 5th Floor, Genesis Close, P.O. Box 446, Cayman Islands, KY1-1106 or at such other place within the Cayman Islands as the Board may from time to time decide.
3. Subject to the following provisions of this Memorandum of Association, the objects for which the Company is established are unrestricted, and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (Revised).
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 (Revised).
5. Nothing in this Memorandum of Association shall permit the Company to carry on a business of a bank or trust company without being licensed in that behalf under the Banks and Trust Companies Law (Revised) or to carry on insurance business from within the Cayman Islands or the business of an insurance manager, agent, sub-agent or broker without being licensed in that behalf under the Insurance Law (Revised) or to carry on the business of company management without being licensed in that behalf under the Companies Management Law (Revised).
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\$2,500,000,000** divided into **250,000,000** ordinary shares of a par value of **NT\$10** each with power for the Company, subject to the provisions of the Companies Law (Revised) and the Articles of Association, to redeem any of its shares and to increase or reduce the said capital and to issue any part of its capital, 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 and so that, unless the condition of issue shall otherwise expressly declare, every issue of shares, whether declared to be ordinary, preference or otherwise, shall be subject to the power hereinbefore contained.

9. The Company has power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.
10. Capitalised terms that are not defined in this Memorandum of Association bear the same meaning as those given in the Articles of Association of the Company and the interpretations section of the Articles of Association of the Company shall apply to this Memorandum of Association.

THE COMPANIES LAW (REVISED)
COMPANY LIMITED BY SHARES

EIGHTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION

OF

TONG MING ENTERPRISE CO., LTD.

(as adopted by a Special Resolution passed on June.19, 2018)

INTERPRETATION

1. The Regulations contained or incorporated in Table A of the First Schedule of the Companies Law (2010 Revision) of the Cayman Islands (as amended, supplemented or otherwise modified 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 codes 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 the Securities and Exchange Act of the R.O.C., the Company Act of the R.O.C., the Act Governing Relations Between Peoples of the Taiwan Area and the Mainland Area of the R.O.C., and any similar laws, statutes and the rules and regulations of the R.O.C. authorities thereunder, and the rules and regulations promulgated by the Financial Supervisory Commission, the Emerging Market, the TPEX and the TWSE (where applicable);
Articles	these Articles of Association of the Company in their present form, as amended, substituted or supplemented from time to time by a Special Resolution;
Auditors	the Auditors (if any) for the time being of the Company;
Board	the board of Directors of the Company comprising all the Directors;
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 in accordance with these Articles;
Commission	the 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	TONG MING ENTERPRISE CO., LTD.;
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 or an Independent Director (if any) for the time being who collectively form the Board, and “Directors” means 2 or more of them (including any and all Independent Director(s));
Discount Transfer	has the meaning set out in Article 20(3);
electronic	shall have the meaning given to it in the Electronic Transactions Law (2003 Revision) (as amended) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force including every other law incorporated therewith or substituted therefore;
Emerging Market	the emerging market board of the TPEX in Taiwan;
Employees	employees of the Company and/or any of the Subordinate Companies of the Company, as determined by the Board from time to time in its sole discretion, and “Employee” shall mean any one of them;
Financial Statements	has the meaning set out in Article 95;
Independent Directors	those Directors appointed as "Independent Directors" pursuant to the requirements of the Applicable Listing Rules, and “Independent Director” means any one of them;
Juristic Person	a firm, corporation or other organization which is recognised by the Law and the Applicable Listing Rules as a legal entity;

Law	the Companies Law (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 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 for the time being, including persons who are jointly so registered and “Members” or “Shareholders” means 2 or more of them;
Memorandum	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 companies as the surviving company within the meaning of the Law and the Applicable Listing Rules;
Month	a calendar month;
NT\$ or NTD	New Taiwan Dollars;
Ordinary Resolution	a resolution:- <ul style="list-style-type: none"> (a) passed by a simple majority of such Members as, being entitled to do so, vote in person or, in the case of any Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles; and (b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorized representatives); and (c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the resolution so adopted shall be the date on which the instrument is executed;

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;
Register	the register of Members of the Company maintained in accordance with the Law 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 first become registered or listed on the Emerging Market, the TPEX, the 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 registered or listed (and so that if at any time registration or 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 registered or 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.;
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 Premium Account	the share premium account of the Company established in accordance with these Articles and the Law;
Shareholder 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 and the Regulations Governing the Administration of Shareholder Services of Public Companies of the R.O.C., to the Company;

signed	bearing a signature or representation of a signature affixed by mechanical means or an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a Person with the intent to sign the electronic communication;
Special Reserve	has the meaning set out in Article 86;
Special Resolution	<p>a special resolution of the Company passed in accordance with the Law, being a resolution:</p> <p>(a) passed by a majority of at least two-thirds of such Members as, being entitled to do so, vote in person or, in the case of any Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles, of which notice, specifying (without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a Special Resolution, has been duly given; and</p> <p>(b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorized representatives); and</p> <p>(c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the special resolution so adopted shall be the date on which the instrument is executed.</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;

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;
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Statutory Reserve	has the meaning set out in Article 86;
Subordinate Company	any company (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 that of the Company are held by the same Members;
TDCC	the Taiwan Depository & Clearing Corporation;
TPEX	the Taipei Exchange, originally named as GreTai Securities Market (GTSM), in Taiwan;
Treasury Shares	Shares that have been purchased by the Company and have not been cancelled but have been held continuously by the Company since they were purchased, in accordance with the Law; 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 and any resolution of the Members to the contrary, the Board may, in respect of all Shares for the time being unissued:

- (a) offer, issue and allot 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, but so that no Share shall be issued at a discount, except in accordance with the provisions of the Law and the Applicable Listing Rules; and
 - (b) 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 Applicable Listing Rules; and, for such purposes, the Board may reserve an appropriate number of Shares for the time being unissued.
4. Subject to Article 5 and the sufficiency of the authorised share capital of the Company, the Company 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 Directors present at a meeting attended by two-thirds or more of the total number of the Directors.
5. (1) Where the Company is to issue Preferred Shares, the following shall be expressly set out in these Articles:
- (a) the total number of Preferred Shares that have been authorised to be issued and the numbers of the Preferred Shares already issued;
 - (b) the order, fixed amount or fixed ratio of allocation of dividends, bonus and other distribution on such Preferred Shares;
 - (c) the order, fixed amount or fixed ratio of allocation of surplus assets of the Company, upon its liquidation, to the holders of the Preferred Shares;
 - (d) the order of or restrictions on the voting right(s) (including, where applicable, a statement that such Preferred Shares have no voting rights whatsoever) of the holders of such Preferred Shares;
 - (e) other matters concerning rights and obligations incidental to the Preferred Shares; and
 - (f) the method by which the Company is authorised or compelled to redeem the Preferred Shares, or a statement that redemption rights shall not apply.
- (2) Subject to the Law, the Memorandum and these Articles shall be amended with the sanction of a Special Resolution to stipulate the rights, benefits and restrictions of such Preferred Shares and the number of the Preferred Shares the Company is authorised to issue.
6. Subject to the sufficiency of the authorised share capital of the Company and these Articles, 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.
7. (1) The Company shall issue Shares without printing share certificates, provided that the Register shall be conclusive evidence of the entitlement of a Person to Shares recorded against his/her/its name. During the Relevant Period, whenever the Company issues Shares, the Company shall deliver or cause the Shareholder Service Agent to deliver

Shares by advising TDCC to record the number of Shares against the name of each subscriber within thirty (30) days from the date such Shares may be delivered, pursuant to the Law. The Company shall make a public announcement in accordance with the Applicable Listing Rules prior to the delivery of such Shares.

- (2) The Company shall not issue bearer Shares.
 - (3) The Company shall not issue any unpaid Shares or partial paid-up Shares to any Person.
 - (4) The Company shall neither issue Shares without par value nor convert its Shares from Shares with par value to Shares without par value.
 - (a) upon each issuance of new Shares (other than resulting from or in connection with any Merger or Consolidation of the Company, Spin-off of the Company's business, any reorganisation of the Company, asset acquisition, share swap, exercise of share options or warrants granted to the Employees, conversion of convertible securities or debt instruments, exercise of subscription warrants or rights to acquire Shares vested with preferential or special rights or where the Company issues new Shares to the existing Members by capitalisation of its reserves in accordance with these Articles), the Board may reserve not more than fifteen percent (15%) of the new Shares for subscription by the Employees; and
 - (b) where the Company issues new Shares for cash consideration, after the Board reserving certain percentage of the new Shares for subscription by the Employees pursuant to subsection (a) of this Article, the Company shall allocate ten percent (10%) (or such greater percentage as the Company by an Ordinary Resolution determines) of the total number of the new Shares to be issued for offering in the R.O.C. to the public unless the Commission, the Emerging Market, the TPEX and/or the TWSE (where applicable) considers such public offering unnecessary or inappropriate.
8. During the Relevant Period, subject to an Ordinary Resolution, upon each issuance of new Shares, the Company shall, after reserving the portion of new Shares for subscription by the Employees and public offering in the R.O.C. pursuant to Article 8, first offer such remaining new Shares, by a public announcement and a written notice to each existing Member respectively, stating that in case any such existing Member fails to confirm his/her/its subscription within the prescribed period his/her/its subscription right shall be forfeited, for the subscription of each such existing Member in proportion to the number of Share(s) held by him/her/it, provided that:
- (a) 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;
 - (b) In the event of the issuance of new shares for cash, after the Board of Directors has reserved shares for pre-emptive subscription by employees in accordance with the preceding paragraph, the Company shall allocate 10% (or such higher percentage as may be determined by ordinary resolution of the shareholders in general meeting) of the total amount of the new shares to be issued for public offering within Taiwan, unless (i) the Financial Supervisory Commission, Emerging Markets, OTC and (or)

the Stock Exchange (as applicable) deems it unnecessary or inappropriate to do so, or (ii) the Listing Rules otherwise provide.

9. The preceding Article shall not apply whenever the new Shares are issued for the following purpose:

- (a) in connection with a Merger or a Consolidation of the Company or a Spin-off of the Company's business, or pursuant to any reorganisation 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 swap arrangement entered into by the Company, or
- (f) in connection with any private placement of equity-type securities conducted pursuant to Article 11-2(1); or
- (g) in connection with any other event otherwise prohibited, limited, restricted or exempted to so apply pursuant to the Law and/or the Applicable Listing Rules.

10. Subject to the Applicable Listing Rules, the Company may, upon adoption of a resolution passed by a majority of the Directors 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 the Employees whereby such Employees may subscribe, within a specific period of time, for a specific number of Shares of the Company at an agreed subscription price. Upon execution of the said agreement, the Company shall issue to each of such Employees a share subscription warrant. Such issued share subscription warrant shall be non-assignable, except for transfer by inheritance or intestacy.

11-1. The Company may, subject to approval of Shareholders by way of Special Resolution, issue new Shares with restricted rights as approved by such Special Resolution to employees of the Company and/or its Subordinate Companies. In respect of the issuance of Shares to employees in the preceding sentence, the number of Shares to be issued, issue price, issue conditions, restrictions and other matters shall be subject to the Applicable Listing Rules and the Law.

11-2. (1) During the Relevant Period and subject to the Applicable Listing Rules, the Company may, with the sanction of a Special Resolution, conduct a private placement of equity-type securities with any of the following Persons in the R.O.C.:

- (a) banks, bills finance enterprises, trust enterprises, insurance enterprises, securities enterprises, or other Juristic Persons or institutions approved by the Commission;
- (b) natural persons, Juristic Persons, or funds meeting the conditions prescribed by the Commission; or

- (c) directors, supervisors, officers and managers of the Company or its affiliated enterprises.
 - (2) A private placement of ordinary corporate bonds may be carried out by the Company in installments within one year of the date of the resolution of the Board.
11. 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.
 12. During the Relevant Period, any issuance, conversion or cancellation of the Shares or any other equity securities (including but not limited to warrants, options or bonds), capitalisation and shareholder services, shall comply with the Law, the Applicable Listing Rules and the Regulations Governing the Administration of Shareholder Services of Public Companies of the R.O.C..

MODIFICATION OF RIGHTS

13. Whenever the share capital of the Company is divided into different Classes of Shares, including where Preferred Shares are issued, subject to Article 41 and 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.
14. 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.

REGISTER

15. Subject to the Law, the Board shall cause to be kept the Register at such place within or outside the Cayman Islands as it deems fit. During the Relevant Period, the Register shall be entered therein the particulars required under the Law and the Applicable Listing Rules, and shall be made available at its Shareholder Service Agent's office in the R.O.C.
16. Notwithstanding anything contained in these Articles and subject to the Law, during the Relevant Period, the relevant information of the Members shall be recorded by TDCC, and the Company shall recognize each person identified in the records provided by TDCC to the Company as a Member and such records shall form part of the Register as at the date of receipt of such records by the Company. The Board of Directors or other authorized conveners of shareholders' meetings may require the Company or its shareholder service agent to provide with the roster of shareholders.

REDEMPTION AND REPURCHASE OF SHARES

17. All Preferred Shares may be redeemed in accordance with the provisions of the Law, provided that the privileges accorded to holders of the Preferred Shares by these Articles shall not be impaired under the Law and the Applicable Listing Rules.
19. (1) Subject to the Law, the Applicable Listing Rules and Paragraph (3) of this Article,

upon the approval of a majority of the Directors present at a Board meeting attended by two-thirds or more of Directors, the Company may purchase its own Shares, for cancellation, upon such terms and manner and subject to such conditions as the Board thinks fit, and such Shares shall be treated as cancelled immediately on purchase.

- (2) Subject to the Law, the Applicable Listing Rules and Paragraph (3) of this Article, 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 purchase its own Shares, to be held as Treasury Shares, upon such terms and manner and subject to such conditions as the Board thinks fit, PROVIDED ALWAYS that such purchase is effected in accordance with the provisions of the Law.
- (3) During the Relevant Period, the resolutions of Board approving a purchase of Shares, how such resolutions are implemented, and the failure of any purchase of Shares as approved by such resolutions (if any) shall be reported to the Shareholders at the next general meeting.
- (4) Subject to the Law, for so long as the Company holds Treasury Shares:
 - (a) the Company shall be entered in the Register as holding the Treasury Shares;
 - (b) the Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
 - (c) a Treasury Share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted in determining the total number of issued Shares at any given time, whether for the purposes of these Articles or the Law; and
 - (d) no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up) may be made to the Company, in respect of a Treasury Share.
- (5) During the Relevant Period, subject to the Law, except purchases of Shares carried out pursuant to Article 19-1(1), the number of Shares to be purchased by the Company from time to time shall not exceed ten percent (10%) of the total number of issued and outstanding Shares.

19-1. (1) Subject to the Law and the Applicable Listing Rules, the Company may carry out a compulsorily purchase and cancellation of its Shares on a pro rata basis (rounded up or down to the nearest whole number) among the Shareholders in proportion to the number of Shares held by each such Shareholder subject to approval by a Special Resolution. The purchase price payable to the Shareholders in connection with a purchase of Shares described in the preceding sentence may be paid in cash or in kind. Any purchase price to be paid in kind shall be subject to approval by a Special Resolution and shall be subject to individual consent by the Shareholder(s) receiving such payment in kind. Prior to convening the general meeting for approving such purchase of Shares, the Board shall determine the monetary equivalent value of any purchase price to be paid in kind and have such value audited and certified by a certified public accountant in the R.O.C.

- (2) For the avoidance of doubt, where the proposed purchase and cancellation of Shares is not on a pro rata basis, subject to the Law and the Applicable Listing Rules, the Board is empowered to authorize and carry out such repurchase without approval by Special Resolution in accordance with the preceding paragraph.

20.(1) Where the Company holds Treasury Shares, the Company may, in accordance with the Law:

- (a) cancel any or all of the Treasury Shares; or
 - (b) transfer any or all of the Treasury Shares to the Employees, the terms of such transfer and qualifications of such employees shall be determined by the Board, subject to Paragraph (3) of this Article. The Board may impose a lock-up period restricting the transfer of any Treasury Shares transferred to the employees pursuant to this Paragraph (1) for a term of up to two (2) years.
- (2) A sum equal to the consideration (if any) received by the Company pursuant to the transfer of Treasury Share(s) shall be credited in accordance with the Law.
 - (3) Subject to Paragraph (4) of this Article and the Law, the Company may, by way of a Special Resolution passed at the immediate preceding general meeting of the Company, transfer the Treasury Shares to the Employees for a price that is below the average price that the Company has paid to purchase such Treasury Shares (the “**Discount Transfer**”), provided that the following matters shall be specified in the notice of such general meeting with the description of their major contents, and shall not be proposed as ad hoc motions:
 - (a) the transfer price of the Treasury Shares as determined by the Board, the discount rate used for the Discount Transfer, and the calculation basis of the Discount Transfer, and the basis of such determination;
 - (b) the amount of the Treasury Shares to be transferred pursuant to, and the purpose of, the Discount Transfer, and the basis of such determination;
 - (c) the qualification and terms of the Employees to whom the Treasury Shares are transferred and the amount of Treasury Shares for which such Employees may subscribe pursuant to the Discount Transfer;
 - (d) matters that the Board is of the opinion that may affect Shareholders' rights, including:
 - (i) any expenses that may be incurred and dilution of per share profit, if any, due to the Discount Transfer in accordance with the Applicable Listing Rules; and
 - (ii) any burden on the Company caused by the Discount Transfer in accordance with the Applicable Listing Rules.
 - (4) The total aggregate amount of the Treasury Shares that are transferred to the Employees pursuant to the Discount Transfer in accordance with Paragraph (3) of this Article shall not exceed five percent (5%) of the total number of issued and outstanding Shares of the Company, and the aggregate amount of the Treasury

Shares transferred to each Employee shall not exceed point five percent (0.5%) of the total number of issued and outstanding Shares of the Company.

TRANSFER AND TRANSMISSION OF SHARES

21. Subject to the Law and Applicable Listing Rules and unless otherwise provided by these Articles, the Shares shall be freely transferable.
22. 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. The registration of transfers may be suspended when the Register is closed in accordance with Article 24.

NON-RECOGNITION OF TRUSTS

23. Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not, unless required by law, be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or actual interest in any Share (except only as otherwise provided by these Articles, the Law or law otherwise requires or under an order of a court of competent jurisdiction) or any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

CLOSING REGISTER OR FIXING RECORD DATE

24. (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 notices of, attend or vote at any general meeting or any adjournment thereof in person, by proxy or by way of electronic transmission; and (c) any other purposes as determined by the Board.

In the event the Board designates the record date(s) for (b) in accordance with this Article, such record date(s) shall be date(s) prior to the general meeting.

- (2) During the Relevant Period, subject to the Law, for the purposes of (a) determining the Members entitled to receive any dividend, distribution or issue; and (b) determining the Members entitled to receive notices of, attend or vote at any general meeting or any adjournment thereof, the Board shall fix the period that the Register shall be closed for transfers (the "Book Closure Period") 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 distribution. For the purpose of calculating the Book Closure Period, the respective convening date of the general meeting or the relevant target date shall be included.

GENERAL MEETINGS

25. The Company shall in each year hold a general meeting as its annual general meeting within six months after close of each financial year or such other period as may be permitted by the Emerging Market, the TPEX or the TWSE (where applicable). The annual general meeting shall be convened by the Board.

26. 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.
27. During the Relevant Period, all general meetings shall be held in the R.O.C.. At any time other than during the Relevant Period, the Board may convene any general meeting at such place as it deems fit.
28. (1) Any one or more Member(s) holding at least three percent (3%) of the total issued Shares of the Company for a period of one (1) 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 convene a general meeting.
- (2) Any one or more Member(s) continuously holding more than half of the total issued Shares of the Company for a period of no less than three (3) months may convene an extraordinary general meeting. The number of Shares held by such Member or Members and the holding period of which such Member or Members hold such Shares shall be calculated and determined based on the Register as of the first day of the Book Closure Period.
- (3) In addition to the circumstance where the Board should have convened a general meeting but does not or is unable to convene a general meeting pursuant to the Law, the Applicable Listing Rules or these Articles, an Independent Director from the audit committee of the Company may also, for the benefit of the Company, call a general meeting when it is deemed necessary.
29. During the Relevant Period, the Company shall engage a Shareholder Service Agent within the R.O.C. to handle the administration of general meetings, including but not limited to, the voting matters.

NOTICE OF GENERAL MEETING

30. (1) During the Relevant Period, at least thirty (30) days notice of an annual general meeting and fifteen (15) days notice of an extraordinary general meeting shall be given to each Member, and the Company may make a public announcement of a notice of general meeting to Members holding less than 1,000 Shares instead of delivering the same to each Member. The period of notice shall be exclusive of the day on which it is served and of the day on which the general meeting is to be held. Such notice shall be in writing, shall specify the place, the day and the time of meeting and the agenda and the proposals to be resolved at the general meeting and shall be given in the manner hereinafter described or be given via electronic communications if previously consented by the Members and permitted by the Law and the Applicable Listing Rules.
- (2) At any time other than the Relevant Period, at least five (5) days notice in writing shall be given of an annual general meeting or any other general meeting PROVIDED HOWEVER that notice may be waived by all the Member either at or before the meeting is held PROVIDED FURTHER that notice or waiver thereof may be given by telex or telefax. At any time other than the Relevant Period, a general meeting may be convened by such shorter notice or without notice with the consent of a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five percent in nominal value of the

Shares giving that right.

- 30-1. (1) During the Relevant Period, the Company shall make public announcements with regard to notice of general meeting, proxy form, summary information and details about items to be proposed at the meeting for approval, discussion, election or dismissal of Directors at least thirty (30) days prior to any annual general meeting or at least fifteen (15) days prior to any extraordinary general meeting.
- (2) During the Relevant Period, if the Company allows the Shareholders to exercise the votes and cast the votes in writing or by way of electronic transmission in accordance with Article 51, the Company shall also send to the Shareholders the information and documents as described in the preceding paragraph, together with the voting right exercise forms.
31. The following matters shall not be considered, discussed or proposed for approval at a general meeting unless they are specified in the notice of general meeting with the description of their major contents; the major contents may be posted on the website designated by the R.O.C. competent authorities or the Company, and such website shall be indicated in the notice:
- (a) any election or removal of Director(s);
 - (b) any alteration of the Memorandum and/or these Articles;
 - (c) any capital reduction or compulsory purchase and cancellation of Shares pursuant to Article 19-1(1);
 - (d) applying for the approval of ceasing the status as a public company;
 - (e) the transfer of the whole or any material part of the Company's business or assets;
 - (f) the acquisition of the whole business or assets of a Person, which has a material effect on the operation of the Company;
 - (g) carrying out a private placement of equity-type securities;
 - (h) granting a waiver to a Director's non-competition obligation or approving a Director to engage in activities in competition with the Company;
 - (i) distributing dividends, bonus or other distributions in whole or in part by way of issuance of new Shares; and
 - (j) capitalisation of the Company's Statutory Reserve, the Share Premium Account and/or the income from endowments received by the Company in the Capital Reserve, by issuing new Shares and/or cash to its existing Members.
32. During the Relevant Period, the Company shall prepare a manual for each general meeting, and such manual and relevant materials shall be published on the website designated by the Commission and the Emerging Market, the TPEx or the TWSE (where applicable) twenty-one (21) 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.

33. The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any Member entitled to receive notice shall not invalidate the proceedings of that general meeting.

PROCEEDINGS AT GENERAL MEETINGS

34. No business, other than the appointment of a chairman of the meeting, shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as otherwise provided by these Articles, at least two Members present in person or by proxy or (in the case of a Member being a corporation) by its duly authorised representative representing more than one-half of the total issued and outstanding Shares with voting rights shall be a quorum of Members for all purposes.
35. (1) One or more Member(s) holding one percent (1%) or more of the total issued Shares of the Company may submit to the Company not more than one proposal in writing or by way of electronic transmission for resolution at an annual general meeting
- (2) Prior to the commencement of the period in which the Register is closed for transfers before an annual general meeting, the Company shall make a public announcement of the place and the period for Members to submit proposals; provided that the period for submitting such proposals shall not be less than ten (10) days.
- (3) 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) The Board shall include a proposal submitted by Member(s) unless:
- (a) the proposal involves matters which cannot be settled or resolved at a general meeting under the Law, the Applicable Listing Rules and these Articles;
- (b) the number of Shares held by the proposing Member(s) is less than one percent (1%) of the total issued and outstanding Shares in the Register upon commencement of the period in which the Register is closed for transfers before the relevant annual general meeting of the Company; or
- (c) the proposal contains more than one matter;
- (d) the proposal contains more than three hundred (300) words; or
- (e) the proposal is submitted after the expiration of the specified period announced by the Company for submitting proposals.
- (5) If a proposal submitted by Member(s) is intended to urge the Company to promote public interests or fulfil its social responsibilities, the Board may include the proposal notwithstanding that one of the circumstances set forth in the preceding Paragraph (4) of this Article applies.
- (6) The Company shall, prior to the despatch of a notice of the relevant annual general meeting, inform all the proposing Members of whether their proposals are accepted or not, and shall list in the notice of the relevant annual general meeting all the accepted proposals. The Board shall explain at the relevant annual general meeting the reasons for excluding any

proposal submitted by Members.

36. 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.
37. If at any general meeting the Chairman is not present or is unwilling to act as chairman, he shall appoint one of the Directors to act on his behalf. In the absence of such appointment, the Directors present may choose one of them to be the chairman of that general meeting.
38. A general meeting may be adjourned by the Company by an Ordinary Resolution 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.
39. At any general meeting, a resolution put to the vote of the meeting shall be decided on a poll.
40. Unless otherwise expressly required by the Law, the Applicable Listing Rules or these Articles, any matter proposed for approval by the Members at a general meeting shall be passed by an Ordinary Resolution.
41. (1) Subject to the Law and the Applicable Listing Rules, the Company may by a Special Resolution:
 - (a) enter into, amend, or terminate any contract for lease, management or regular joint operation of its whole business;
 - (b) transfer the whole or any material part of its business or assets;
 - (c) acquire the whole business or assets of a Person, which has a material effect on the operation of the Company;
 - (d) distribute dividends, bonus or other distributions in whole or in part by way of issuance of new Shares;
 - (e) effect any Spin-off of the Company;
 - (f) authorise a plan of Merger or Consolidation involving the Company;
 - (g) resolve that the Company be wound up voluntarily;
 - (h) carry out a private placement of equity-type securities;
 - (i) grant a waiver to a Director's non-competition obligation, or approve a Director to engage in activities in competition with the Company;
 - (j) change its name;
 - (k) change the currency denomination of its share capital;

- (l) increase the share capital by such sum, to be divided into new Shares of such Classes of such par value, as the resolution shall prescribe;
- (m) consolidate and divide all or any of its share capital into Shares of a larger par value than its existing Shares;
- (n) subdivide its existing Shares, or any of them, into Shares of a smaller par value than is fixed by the Memorandum;
- (o) cancel any Shares that, at the date of the resolution, have not been taken or agreed to be taken by any Person and diminish the amount of its share capital by the amount of the Shares so cancelled;
- (p) subject to these Articles (including without limitation Articles 14 and 15), alter or amend the Memorandum or these Articles, in whole or in part;
- (q) reduce its share capital and any fund of the capital redemption reserve in any manner authorised by the Law and the Applicable Listing Rules;
- (r) appoint an inspector to examine the affairs of the Company under the Law;
- (s) issue new Shares to employees of the Company and/or its Subordinate Companies subject to any restrictions and conditions in accordance with Article 11-1;
- (t) subject to these Articles, capitalisation or distribution of the Statutory Reserve of the Company, the Share Premium Account of the Company and/or the Capital Reserve from endowments received by of the Company by issuing new Shares or paying in cash to its existing Member in proportion to the number of Shares being held by each of them; and
- (u) apply for an approval of ceasing its status as a public company.

(2) Notwithstanding anything contained in these Articles, unless otherwise provided by the Law and the Applicable Listing Rules, in case the Company is dissolved after participating in the merger/consolidation or the Company is delisted from the TPEX or TWSE due to the general transfer (or the assignment of all rights and delegation of all duties of the Company), the transfer of business or assets of the Company, any share swap arrangement or any Spin-off entered into or carried out by the Company while the surviving, transferee, existing or newly incorporated company is not a listed company (including TWSE/TPEX listed company), any such action aforementioned shall be approved by the affirmative vote of at least two-thirds (2/3) of the total votes cast by the Members of the Company.

42. Subject to the Law and the Applicable Listing Rules, the Company may by a Special Resolution resolve that the Company be wound up voluntarily if the Company is unable to pay its debts as they fall due.

43. (1) Subject to the compliance with the Law, in the event any of the resolutions with respect to the matter(s) as set out in Paragraphs (a), (b) or (c) of Article 41(1) is adopted at a general meeting, a Member who has notified the Company in writing of his objection to such proposal prior to that 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 resolution to be adopted is in relation to the matter(s) set out in Paragraph (b) of Article 41(1) and at the same meeting the resolution for the winding up of the Company is also adopted.

(2) Subject to the compliance with the Law, in the event any part of the Company's business is involved in any Spin-Off, Merger or Consolidation, a Member, who has forfeited his right to vote on such matter and expressed his dissent therefor, in writing or orally with an entry to that effect in the minutes of the meeting before the relevant vote, may request the Company to purchase all of his Shares at the then prevailing fair price.

(3) Without prejudice to the Law, in the event the Company and a Member making a request pursuant to Paragraphs (1) or (2) of this Article fail to reach an agreement on the purchase price within sixty (60) days following the date of the resolution, the Member may, within thirty (30) days after such sixty (60) days period, file a petition to the Taiwan Taipei District Court of the R.O.C. for a ruling on the appraisal price. However, for the purpose of protecting rights of the dissenting Member, the Company may elect to act in accordance with the laws of place where the securities of the Company are registered or listed.

44. In case the procedure for convening a general meeting in which a resolution is adopted or the method of adopting a resolution is in violation of the Law, the Applicable Listing Rules or these Articles, a Member may, if and to the extent permitted under the Law, within thirty (30) days from the date of the resolution, submit a petition to Taiwan Taipei District Court, as applicable, for an appropriate remedy, including but not limited to, requesting the court to invalidate and cancel the resolution adopted therein.

45. Notwithstanding anything to the contrary provided for in these Articles, at any time other than during the Relevant Period, a resolution (including a Special Resolution) in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorized representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.

46. The proceedings regarding general meetings and the voting in general meetings not provided for in these Articles shall be governed by the internal rules of the Company, as adopted and amended by the Company by an Ordinary Resolution from time to time, which shall be in compliance with the Law and the Applicable Listing Rules.

VOTES OF MEMBERS

47. Subject to any rights and restrictions as to voting for the time being attached to any Share by or in accordance with these Articles, at any general meeting, every Member present in person (or in the case of a Member being a corporation, by its duly authorised representative) or by proxy shall have one vote for each Share registered in his/her/its name in the Register.

48. In the case of joint Members, the joint Members shall select a representative among them to exercise their voting powers and the vote cast by such representative, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Members.

48-1. A Shareholder who holds Shares for the benefit of others need not use all his votes or cast all the votes he holds in the same way as he uses his votes in respect of share he holds for himself. The qualifications, scope, methods of exercise, operating procedures and other requirements for separate votes shall be in compliance with the Applicable Listing Rules.

49. 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.

50.(1) Subject to the Law and the Applicable Listing Rules, shares held by the following persons shall not be counted in the total number of issued Shares of the Company which are entitled to vote for when calculating the quorum at a general meeting and Members belonging to the following persons shall abstain from voting in respect of all Shares held by them:

- (a) the Company itself (if such holding is permitted by the Law);
 - (b) any entity in which the Company is legally or beneficially interested in more than fifty percent (50%) of its issued and voting share capital or equity capital; or
 - (c) any entity in which the Company and (i) its holding company, and (ii) its Subordinate Company are legally or beneficially interested in more than fifty percent (50%) of its issued and voting share capital or equity capital.
- (2) Any Member who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a general meeting shall abstain from voting in respect of all the shares that such Member should otherwise be entitled to vote, on his behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Member(s) shall not be counted in determining the number of votes for or against such matter.
- (3) Where any Director, who is also a Shareholder of the Company, creates or has created any charge, mortgage, encumbrance or lien in respect of Shares held by such Director (the "Charged Shares") exceeding fifty percent (50%) of total Shares held by such Director at the time of his/her latest appointment as Director, such Director shall refrain from exercising its voting rights on the Shares representing the difference between the Charged Shares and fifty percent (50%) of total Shares held by such Director at the time of his/her latest appointment as Director, and such Shares shall not be counted toward the number of votes represented by the Shareholders present at a general meeting nor quorum at such general meeting.

51.(1) To the extent permitted by the Law and subject to the Applicable Listing Rules, the Board may resolve that the voting power of a Member at a general meeting may be exercised by way of a written ballot or by way of electronic transmission; provided, however, that the Company shall provide the Members with a method for exercising their voting power by way of a written ballot or electronic transmission if a general meeting is to be held outside the ROC or otherwise required under the Applicable Public Company Rules. The method for exercising such voting power shall be described in the general meeting notice to be given to the Members if the voting power may be exercised by way of a written ballot or electronic transmission. Notwithstanding the foregoing, where the Company conform to the Applicable Scope of Listing Companies to Conduct Electronic Voting announced by the competent authority in the R.O.C., the Company shall adopt the electronic transmission as one of the methods for exercising the voting power of a Member.

- (2) Any Member who intends to exercise his voting power by way of a written ballot or by way of electronic transmission shall serve the Company with his voting decision at least two (2) days prior to the date of such general meeting. Where more than one voting decision are received from the same Member by the Company, the first voting decision shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous voting decision in the later-received voting decision.

(3) A Member who exercises his voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to vote his shares at the general meeting only in the manner directed by his written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, such Members voting in such manner shall be deemed to have waived their voting rights with respect to any extemporaneous matters or amendment to resolution(s) proposed at the general meeting.

52. Subject to Article 56, in case a Member who has cast his votes by a written ballot or by way of electronic transmission intends to attend the relevant general meeting in person, he shall, at least two (2) days prior to the date of the general meeting, revoke such votes by serving a notice in the same manner as he cast such votes. In the absence of a timely revocation of such votes, such votes shall prevail.

PROXY

53.(1) A Member may appoint a proxy to attend a general meeting on his behalf by executing a proxy form produced by the Company stating therein the scope of power authorized to the proxy. A proxy need not be a Member.

(2) Subject to the Law and unless otherwise provided in these Articles, forms of instrument of proxy for use at a general meeting shall be produced by the Company specifying therein (a) the instructions for filling out the form, (b) the signature requirements, (c) the matters to be voted upon pursuant to such proxy and basic identification information of the Member as appointor, the proxy solicitor (if any) and the proxy, and shall be sent out together with the notice of general meeting to all Members on the same day.

54. A Member may only appoint one proxy for each general meeting irrespective of how many shares he holds and shall serve an executed proxy in compliance with the preceding Article to the Company or its Shareholder Service Agent as the case may be no later than five (5) days prior to the date of the general meeting. In case the Company receives two or more proxies from one Member, the one received first by the Company shall prevail unless an explicit statement by the Member to revoke such proxy is made in the subsequent proxy, provided this subsequent proxy is received no later than five (5) days prior to the date of the general meeting.

55. In case a Member who has served a proxy intends to attend the relevant general meeting in person, he shall, at least two (2) days prior to the date of the general meeting, revoke such proxy by serving a written notice to the Company or Shareholder Service Agent; otherwise, the votes cast by the proxy at the general meeting shall prevail.

56. In case a Member has cast his votes by a written ballot or by way of electronic transmission pursuant to Article 51, and has also authorized a proxy to attend the relevant general meeting on his behalf, the votes cast by the proxy shall prevail.

57. Except for trust enterprises or shareholder service agencies duly licensed under the R.O.C. competent authorities or the chairman of a general meeting who is deemed appointed as proxy pursuant to Article 51, where a Person acts as a proxy for two or more Members, the number of voting Shares that the proxy may vote in respect thereof shall not exceed three percent (3%) of

the total number of issued and outstanding voting Shares; otherwise, such number of voting Shares in excess of the aforesaid threshold shall not be counted towards the number of votes cast for or against the relevant resolution or the number of voting Shares present at the relevant general meeting but shall be included in the quorum. Upon such exclusion, the number of voting Shares being excluded and attributed to each Member represented by the same proxy shall be determined on a pro-rata basis based on the total number of voting Shares being excluded and the number of voting Shares that such Members have appointed the proxy to vote for.

58. The use and solicitation of proxies shall be subject to, the Law and the Applicable Listing Rules (in particular, the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies of the R.O.C.).

DIRECTORS AND THE BOARD

59.(1) The Board shall consist of not less than five (5) Directors (including Independent Directors). Subject to the foregoing, the number of Directors to be elected and hold the office shall be stated in the notice of the general meeting in which an election of Directors will be held.

(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 powers of a Director and may replace such representative from time to time so as to fulfil its remaining term of the office. A Director shall not be required to hold any Shares in the Company.

(3) Directors shall be elected by Members at general meetings. 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 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.

(4) The proceedings and the voting regarding the election of Directors not provided for in these Articles shall be governed by the internal rules of the Company, as adopted and amended by an Ordinary Resolution from time to time, which shall be in compliance with the Law and the Applicable Listing Rules (in particular, the Methods of Election of Directors and Supervisors of R.O.C. Public Companies).

60. The Company adopts and applies a candidate nomination mechanism for election of the independent directors. Notwithstanding the foregoing, during the Relevant Period, a candidate nomination mechanism shall be adopted for election of all Directors. Upon adoption of candidate nomination mechanism, the Directors and Independent Directors shall be elected by the Members at a general meeting from among the nominees listed in the respective rosters of director candidates and independent director candidates. Subject to the Law and the Applicable Listing Rules, the Board may establish detailed rules and procedures for such candidate nomination.

61. Subject to these Articles, the term for which a Director shall hold office expire at the annual general meeting in the third year following the year of his/her/its election and until he/she/it is re-elected or his/her/its successor has been duly elected; thereafter he/she/it may be eligible for

re-election. In case no election of new Directors is effected prior to the expiration of the term of office of existing Directors, the term of office of such existing Directors shall be extended until the time new Directors are elected and assume their office subject to these Articles.

62.(1) Notwithstanding the preceding Article, a Director may be removed from office at any time by a Special Resolution adopted at a general meeting.

(2) Without prejudice to other provisions of these Articles, the Directors may be put up for re-election at any time before the expiration of the term of office of such Directors. In the event where all Directors are subject for re-election at a general meeting before the expiration of the term of office of such Directors, subject to the successful election of the new Directors at the same meeting, the term of office of all current Directors is deemed to have expired on the date of the re-election if the Members do not resolve that all current Directors will only retire at the expiration of their present term of office or any other date as otherwise resolved by the Members at the general meeting.

63.A chairman of the Board (the “**Chairman**”) shall be elected from among the Directors and appointed in term by a majority of the Directors present at a Board meeting attended by at least two-thirds of all of the Directors then in office. The Chairman shall externally represent the Company and internally preside as the chairman at every Board meeting and at every general meeting convened by the Board. In the event the Chairman is not present at a meeting or cannot or will not exercise his power and authority for any cause, he shall designate one of the Directors to act on his behalf. In the absence of such designation, the Directors present at the meeting shall elect from among themselves an acting chairman.

64.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 respective years, based on (a) the extent of a Director's involvement with the operations of the Company, (b) the contribution of a Director to the Company, (c) the prevailing industry standard, (d) recommendation by the remuneration committee and (e) such other relevant factors.

65.When the number of Directors then in office falls below five (5) due to any Director(s) vacating his office for any reason, the Company shall hold an election for such number of Directors at the next general meeting to fill the vacancy for the remainder of the term of such outgoing Director(s). When the number of Directors then in office falls short by one-third of the total number of Directors initially constituting the existing Board, the Company shall convene an extraordinary general meeting within sixty (60) days of the occurrence of that fact for the purposes of electing such number of Directors to fill the casual vacancy.

66.Subject to these Articles, a Director other than an Independent Director may hold any other office (except that of Auditor) 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.

66-1. (1) Without prejudice to the duties owed by a Director to the Company under common law of the Cayman Islands and subject to the Law, the Directors shall assume fiduciary duties to the Company and without limitation, duty of care, and exercise due care and skill in conducting the business operation of the Company. A Director may be liable to the

Company if he acts contrary to his duties. In circumstances where a Director breaches any of such duties and acts for his/her or other Person's interest, the Company may, with the sanction of an Ordinary Resolution, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover any and all earnings derived from such act.

- (2) If a Director violates any law in the course of conducting the business of the Company, he shall be jointly and severally liable with the Company for the damages resulting from such violation.
- (3) The preceding two Paragraph of this Article shall apply, mutatis mutandis, to the officers of the Company and the Supervisors who are authorised to act on its behalf in a senior management capacity.

67. 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 (except that of Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

67-1. To the extent permitted by the Law, the Company may pay, or agree to pay, a premium in respect of a contract insuring each of the following persons against risks determined by the directors, other than liability arising out of that person's negligence and/or dishonestly: an existing or former director (including alternate director), secretary or officer or auditor of: the Company; a company which is a subsidiary of the Company; and a company in which the Company has or had an interest (whether direct or indirect).

67-2. The qualifications, election, removal, power, authority and other requirements for Directors (including Independent Directors), which are not covered by these Articles, shall be in compliance with the Applicable Listing Rules.

INDEPENDENT DIRECTORS

68. During the Relevant Period, the number of Independent Directors of the Company shall not be less than three (3) or one-fifth of the total number of Directors at any time, whichever is greater. One (1) of the Independent Directors shall have resident status of the R.O.C. (such resident status being registered with local government authorities). Subject to the foregoing, the number of Independent Directors to be elected and hold the office shall be stated in the notice of the general meeting in which an election of Independent Directors will be held. When an Independent Director ceases to act, resulting in a number of Independent Directors then in office lower than the prescribed minimum number, 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.

69. Independent Directors shall possess professional knowledge and 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, restrictions on shareholdings and concurrent positions held by the Independent Directors shall be as prescribed by the Applicable Listing Rules, and the assessment of independence of such Independent Directors shall be in compliance with the Applicable Listing Rules. The Board or other Persons calling a general meeting at which an election for Independent Directors is proposed shall ensure that the requirements of this Article have been satisfied and complied with in relation to any candidate for Independent Director.

POWERS AND DUTIES OF THE BOARD

70. Subject to the Law, these Articles, the Applicable Listing Rules and 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 reasonable expenses in connection with business management, including but not limited to expenses incurred in forming and registering the Company and may exercise all powers of the Company.
71. 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 officers and 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.
72. 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. Subject to the Applicable Listing Rules, the Secretary shall also perform such other duties as are prescribed by the Law or as may be prescribed by the Board.

COMMITTEES

73. Subject to the Law and the Applicable Listing Rules, the Board may, or the Company may by an Ordinary Resolution, establish any committee(s) and delegate any of their powers, authorities and discretions to such committee(s) (including but not limited to an audit committee and a remuneration committee) consisting of such member or members of their body or any other Persons as the Board thinks fit. Any committee(s) so formed shall, in the exercise of the powers, authorities and discretions so delegated, and in conducting its proceedings, conform to any regulations that may be imposed on it by the Board. If no regulations are imposed by the Board, the proceedings of a committee with two (2) or more members shall be, as far as is practicable, governed by these Articles regulating the proceedings of the Board.

DISQUALIFICATION AND VACATION OF OFFICE OF DIRECTORS

- 74.(1) The office of a 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 convicted thereof, and has not started serving the sentence, has not completed serving the sentence, or the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than five (5) years;
 - (b) has been imposed a final sentence involving 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 the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than two (2) years;
 - (c) has been imposed a final sentence due to violation of the Anti-corruption Act, and has not started serving the sentence, has not completed serving the sentence, or the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than two (2) years;

- (d) becomes bankrupt or is adjudicated of commencement of liquidation proceeding by a court under the laws of any jurisdiction, and has not been reinstated to his rights and privileges;
- (e) has allowed cheques and other negotiable instruments to be dishonoured and the records thereof have not been cancelled or expunged by the relevant regulatory authorities;
- (f) dies or has been made by any competent court or authority on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and such order has not been revoked, or his legal capacity is restricted according to the applicable laws;
- (g) 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 the Law and/or Applicable Listing Rules;
- (h) ceases to be a Director by virtue of Article 75;
- (i) resigns his office by notice in writing to the Company;
- (j) is removed from office pursuant to these Articles; or
- (k) has been ordered to be removed from office by the R.O.C. Courts on the grounds that such Director, 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.
- (l) has been ordered to be removed from office by the R.O.C. Courts on the grounds that such Director, 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.
- (2) In case a Director (other than Independent Director) has transferred some or all his Shares during the term of his office as a Director, such that the remaining Shares held by him are less than one half of the Shares being held by him at the time he was elected, he shall, ipso facto, cease to act as a Director and be removed from the position of Director automatically.
- (3) If a Director (other than Independent Director), after having been elected and before his inauguration of the office of a Director, has transferred some or all his Shares such that the remaining Shares are less than one half of the Shares be held by such Director at the time of his election or, within the Book Closure Period fixed prior to the general meeting, has transferred some or all his Shares such that the remaining Shares are less than one half of the Shares be held at the commencement of the Book Closure Period, his election as a Director shall be deemed invalid and void.

75. Except as approved by the Emerging Market, the TPEX, the TWSE or the Commission (where applicable), the following relationships shall not exist among more than half of the Directors: (1) a spousal relationship; or (2) a familial relationship within the second degree of kinship as defined under the Civil Code of the R.O.C. If any one of the foregoing relationships exists among more than half of the elected Directors, the election with respect to the one who received the lowest number of votes among those related Directors shall be deemed invalid and void; and if he has held office of a Director, he shall cease to act as a Director upon such determination. For the remaining Directors, if the foregoing requirements are still not satisfied, the same procedure set out above shall be applied again to the remaining related Directors, until such time as the foregoing requirements can be complied with.

76. In case a Director has, in the course of performing his/her/its duties, committed any act resulting in material damage to the Company or in serious violation of the Law, the Applicable Listing Rules or these Articles, but has not been removed from office by a resolution in a general meeting, one or more Members holding three percent (3%) or more of the total number of issued Shares of the Company may, within thirty (30) days after that general meeting, submit a petition to a competent court, including the Taipei District Court of the R.O.C., but only if and to the extent permitted under the Law and the Applicable Listing Rules, for removing such Director from office.
77. Subject to the Law, one or more Members holding one percent (1%) or more of the total number of the issued Shares continuously for a period of six (6) months or a longer time may request in writing any Independent Director who is a member of Audit Committee to file, on behalf of the Company, an action against a Director who has, in the course of performing his/her duties, committed any act resulting in damage to the Company or in violation of the Law, the Applicable Listing Rules or these Articles, with a competent court, including the ROC Taipei District Court,

PROCEEDINGS OF THE BOARD

78. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it considers appropriate and shall from time to time establish internal rules in this regard, which shall be in compliance with the Law and the Applicable Listing Rules. Board meetings shall be held at least once in each quarter or within such period and frequency as may be prescribed by the Applicable Listing Rules. The quorum necessary for the transaction of the business of the Board shall be a majority of the Directors. Subject to the Law, the Applicable Listing Rules and these Articles, any matter proposed for consideration and approval at a Board meeting shall be decided by a majority of votes entitled so to do.
79. A Director may, and the Secretary on the requisition of a Director shall, summon a Board meeting by, during the Relevant Period, at least seven (7) days notice in writing, or at any time other than during the Relevant Period, at least forty eight hours notice in writing, to every Director which notice shall set forth the general nature of the business to be considered PROVIDED HOWEVER, without prejudice to the prescribed notice, in the event of emergency, as determined by the Board in its sole discretion, a Board meeting may be called at any time if this has been agreed to by a majority of the Directors at such meeting. Notwithstanding the forgoing, at any time other than during the Relevant Period, a notice of Board meeting may be waived by all the Directors either at, before or retrospectively after the relevant Board meeting is held PROVIDED FURTHER that notice or waiver thereof may be given by telex or telefax.
80. A Director may participate in a meeting of Board, or of any committee appointed by the Board of which such Director is a member, by means of visual communication facilities which permit all Persons participating in the meeting to see and communicate with each other simultaneously and instantaneously, and such participation shall be deemed to constitute presence in person at the meeting.
81. A Director may appoint another Director as his proxy to attend a meeting of the Board in writing with regard to a particular meeting, and state therein the scope of authority with reference to the subjects to be discussed at such meeting, in which event the presence and vote of the proxy shall be deemed to be that of the Director appointer. No Director may act as proxy for two (2) or more other Directors. Subject to these Articles, if a Director attends a Board meeting on his behalf and as the proxy of another Director, he is entitled to vote both as a proxy and for his own.

82. A Director who is in any way, whether directly or indirectly, interested in a matter discussed, considered or proposed in a meeting of the Board shall declare the nature of his interest and its essential contents at the relevant meeting. Where the spouse, a blood relative within the second degree of kinship of a Director as defined under the Civil Code of Taiwan, or any company which has a controlling or subordinate relation with a Director bear any interest in the matter under discussion at a Board meeting, such Director shall be deemed to bear a personal interest in the matter. Any Director who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a meeting of Board shall abstain from voting, on his own behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Director(s) shall not be counted in determining the number of votes for or against such matter.
83. Subject to these Articles, the continuing Directors may act notwithstanding any vacancy in their body.
84. Notwithstanding anything to the contrary provided for in these Articles, at any time other than during the Relevant Period, a resolution in writing signed by all of the Directors then in office or all of the members of a committee of Directors, including a resolution signed in counterpart or by way of signed telefax transmission, shall be as valid and effectual as if it had been passed at a Board meeting or of a committee of Directors duly called and constituted.
85. The proceedings regarding Board meetings not provided for in these Articles shall be governed by the internal rules of the Company, as adopted and amended by the Board and reported to the Members at a general meeting from time to time, which shall be in compliance with the Law and the Applicable Listing Rules (in particular, the Regulations Governing Procedure for Board of Directors Meetings of R.O.C. Public Companies).

RESERVES AND CAPITALISATION

86. During the Relevant Period, the Company shall set aside out of the profits of the Company for each financial year: (i) a reserve for payment of tax for the relevant financial year; and (ii) an amount to offset losses incurred in previous year(s); and (iii) a Statutory Reserve in accordance with the Applicable Listing Rules (where the Statutory Reserve amounts to the total issued share capital, this Article shall not apply), and after the aforesaid sums as set aside from the profits for such relevant financial year for any purpose to which the profits of the Company may be properly applied, the Board shall, before recommending any dividend, set aside the remaining profits of the Company in whole or in part for the relevant financial year as a special reserve or reserves in accordance with the order from the Commission, and the Company may also, under these Articles or by Special Resolution of the general meeting, set aside another sum as a special reserve or reserves (collectively, the "Special Reserve").
87. Unless otherwise provided in the Law, the Applicable Listing Rules and these Articles, the Capital Reserve set aside during the Relevant Period 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 any Statutory Reserve and Special Reserve (to the extent applicable) set aside for purposes of loss offset is insufficient to offset such losses.
- 88.(1) During the Relevant Period, where the Company incurs no loss, it may, subject to the Law, by a Special Resolution, capitalise or distribute its Statutory Reserve and the following Capital Reserve: (i) Share Premium Account and (ii) the income from gifts and donations received by the Company, in whole or in part, by issuing new fully paid shares and/or paying in cash to the Members in proportion to the number of shares held by each of them

in accordance with the Law and the Applicable Listing Rules. With respect to the capitalization and distribution of the Statutory Reserve, only the portion of the Statutory Reserve exceeding twenty-five percent (25%) of the issued share capital of the Company may be so capitalized and distributed.

(2) At any time other than during the Relevant Period, subject to the Law, the Board may capitalise any sum for the time being standing to the credit of the Share Premium Account or any of the other Company's reserve accounts which are available for distribution or any sum standing to the credit of the profit and loss account or otherwise available for distribution and to appropriate such sums by issuing new fully paid shares and/or paying in cash to Members in proportion to the number of shares held by each of them.

89. Where any difficulty arises in regard to any declaration of dividends or bonuses or other distributions under these Articles, the Board may settle the same as they think expedient and, in particular, may authorise any person to sell and transfer any fractions or may resolve that such declaration of dividends or bonuses or other distributions should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments should be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Directors. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

DIVIDENDS AND BONUSES

90. At any time other than during the Relevant Period, subject to the Law and these Articles and except as otherwise provided by the rights attaching to any Shares, the Board may from time to time declare dividends to be paid to the Members according to their rights and interests, including such interim dividends as appear to the Board to be justified by the position of the Company.

91. During the Relevant Period, subject to the Law, the Applicable Listing Rules and these Articles and except as otherwise provided by the rights attaching to any Shares:

(1) where the Company has earnings at the end of a financial year, based upon the Board's determination, the Company shall distribute not more than zero point one percent (0.1%) of the earnings for such year to the Employees, including employees of any of the Subordinate Companies meeting certain specific requirements, as the Employees' compensation in the form of shares and/or in cash; based upon the Board's determination, the Company may distribute not more than five percent (5%) of such earnings to the Directors as the Directors' compensation. A report of such distribution of Employees' and Directors' compensations shall be submitted to the general meeting of the Company.

Notwithstanding the foregoing, the total amount of accumulated losses of the Company shall be reserved from the said earnings in advance, and the Company shall distribute the remaining balance thereof to the Employees and Directors in the proportion set out above.

(2) where the Company has profits (including profits of previous years) at the end of a financial year, after paying all relevant taxes, offsetting losses (including losses of previous years), setting aside the Statutory Reserve (if required) and Special Reserve (if any), the Company may, according to a distribution plan proposed by the Board, distribute not less than ten percent (10%) of the balance left ("Surplus Profits") by an Ordinary Resolution passed at an annual general meeting of the Company duly convened and held to the

Members as dividends in proportion to the number of Shares held by them respectively pursuant to these Articles, provided that, cash dividends shall not be less than ten percent (10%) of the total amount of dividends to the Members.

(3) dividends, bonuses or other forms of distributions payable to the Members shall only be paid in NTD.

92. During the Relevant Period, subject to the Law, the Applicable Listing Rules and these Articles, the Company may by a Special resolution distribute any part or all of the dividends to the Members or bonuses to the Employees and the Directors declared in accordance with the preceding Article by way of applying such sum in paying up in full unissued Shares for allocation and distribution to the Employees, the Directors and/or the Members.

93. No dividend, bonus or other distribution shall be paid otherwise than out of profits or out of monies otherwise available for dividend, bonus or other distribution in accordance with the Law. No dividend, bonus or other distribution or other money payable by the Company on or in respect of any Share shall bear interest against the Company.

ACCOUNTS, AUDIT, AND ANNUAL RETURN AND DECLARATION

94. The Board shall cause to be kept accounting records and books of account sufficient to give a true and fair view of the state of the Company's affairs and to show and explain the transactions of the Company and otherwise in accordance with the Law, at the Registered Office or at such other place(s) in such manner as may be determined from time to time by the Board and shall always be open to the inspection by the Directors.

95. During the Relevant Period, at the end of each financial year, the Board shall prepare: (1) the business report; (2) the financial statements which include all the documents and information as required by the Law and the Applicable Listing Rules (the "**Financial Statements**"); and (3) any proposal relating to the distribution of net profit and/or loss offsetting in accordance with these Articles, for adoption by the annual general meeting of the Company. Upon adoption at the annual general meeting of the Company, the Board shall distribute to each Member copies of the Financial Statements and the resolutions relating to profit distribution and/or loss offsetting. However, during the Relevant Period, the Company may make a public announcement of the abovementioned statements and resolutions instead of distributing those to each Member.

96. During the Relevant Period, the documents prepared by the Board in accordance with the preceding Article shall be made available at the Shareholder Service Agent's office in the R.O.C. for inspection during normal business hours by the Members, ten (10) days prior to the annual general meeting.

97. Subject to the Law and the Applicable Listing Rules, the Board may determine (or revoke, alter or amend any such determination) that the accounts of the Company be audited and the appointment of the Auditors.

98. During the Relevant Period, the Board shall keep copies of the Memorandum, 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 Shareholder 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 inspecting, transcribing and making copies of the above documents; the Company shall make Shareholder Service Agent provide the above documents.

99. 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.

TENDER OFFER

100. Subject to the Law and the Applicable Listing Rules, during the Relevant Period, within seven (7) days after the receipt of the notice of a public tender offer to purchase the Shares by the Company or the designated representative for litigious and non-litigious matters of the Company in the R.O.C. appointed pursuant to the Applicable Listing Rules, the Board shall resolve to recommend the Members to either accept or object to the tender offer and make a public announcement of the following:

- (a) the types, number and amount of the Shares held by the Directors and the Members holding more than ten percent (10%) of the total issued and 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 delivery of its most recent financial report and an explanation of the change, if any; and
- (d) the types, number and amount of the Shares of the tender offer or its affiliates held by the Directors and the Members holding more than ten percent (10%) of the total issued and outstanding Shares held in its own name or in the name of other Persons.

WINDING UP

101. 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.

102. 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.

103. 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 an Ordinary Resolution.

NOTICES

104. 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, the Emerging Market, the TPEX or the TWSE (where applicable) and/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.
- 104-1. The distribution of the minutes of general meeting may be effected by means of electronic transmission.
105. 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.
106. Any notice or other document, if served by:
- (a) post, shall be deemed to have been served on the day following that on which 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.
107. Any notice or document served to the registered address of any Member in accordance with 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.

REGISTERED OFFICE OF THE COMPANY

108. The Registered Office of the Company shall be at such address in the Cayman Islands as the Board shall from time to time determine.

FINANCIAL YEAR

109. 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

110. The Company shall have one or more Seals, as the Board may determine. No Seal shall be used without the authority of the Board. Subject as otherwise provided in these Articles, any instrument to which a Seal is affixed shall be signed by two Directors or one Director and 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.

LITIGATION OR NON-LITIGATION AGENT IN THE R.O.C.

- 111.(1) During the Relevant Period, the Company shall appoint a person as its litigation or non-litigation agent under the Securities and Exchange Act of the R.O.C. and such agent will be deemed as its responsible person in the R.O.C. under the Securities and Exchange Act of the R.O.C..
- (2) The preceding agent shall have residence or domicile in the R.O.C.
- (3) The Company shall report the name, residence/domicile of the preceding agent and power of attorney to the competent authority in the R.O.C. This reporting requirement shall also apply if there is any change.

CHANGES TO CONSTITUTION

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

The procedure was determined on November 30, 2009.

The first amendment of the procedure was April 16, 2010, after being approved in the resolution of the Shareholders' Meeting.

The second amendment of the procedure was May 19, 2010, after being approved in the resolution of the Shareholders' Meeting.

The third amendment of the procedure was July 23, 2010, after being approved in the resolution of the Shareholders' Meeting.

The fourth amendment of the procedure was May 13, 2013, after being approved in the resolution of the Shareholders' Meeting.

The fifth amendment of the procedure was June 19, 2014, after being approved in the resolution of the Shareholders' Meeting.

The sixth amendment of the procedure was June 15, 2015, after being approved in the resolution of the Shareholders' Meeting.

The seventh amendment of the procedure was June 27, 2016, after being approved in the resolution of the Shareholders' Meeting.

The eighth amendment of the procedure was June 19, 2018, after being approved in the resolution of the Shareholders' Meeting.

The ninth amendment of the procedure was June 14, 2019, after being approved in the resolution of the Shareholders' Meeting.

“Shareholders Meeting Rules” (Before amendments)

Tong Ming Enterprise Co.,Ltd.

Shareholders Meeting Rules

1. Purpose

The rules for compliance are stipulated in accordance with Article 5 of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” for establishing the Company’s excellent meeting of shareholders governance system, substantiating supervisory function, and enhancing management functions.

2. Scope and applicable objects:

2.1 Scope: The Rules of Procedure for Shareholder Meetings is processed in accordance with the Rules, unless otherwise provided by law or Company Corporate Charter (Articles of Incorporation).

2.2 Applicable objectives: The Company

3. Units on duty: All departments

4. Work procedure

4.1 Unless otherwise stated by the law or regulation, the Board shall convene the Shareholders’ Meeting. The board of directors or other authorized conveners of shareholders’ meetings may require the Company or its shareholder service agent to provide with the roster of shareholders.

4.2 Regarding the principles of the venue and time of the Shareholders’ Meeting, the venue of the Shareholders’ Meeting shall be in the Republic of China and suitable for convening the Shareholders’ Meeting, and the Meeting may not start earlier than 9 am or later than 3 pm. The venue and the time shall fully consider the Independent Directors’ opinions.

4.3 The preparation of a sign-in registry

4.3.1 The Company should have the attendance registry ready for the signature of the attending shareholders or the shareholder’s representative (hereinafter referred to as the Shareholders), or the attending shareholders may have the signature card submitted as an alternative to the signature.

4.3.2 The Company shall have the Agenda Handbook, annual reports, attendance card, statement slip, ballots, and other meeting materials delivered to the shareholders presented; also, the ballot will be distributed to the directors for the election of directors, if any.

4.3.3 Shareholders should attend the meeting of shareholders with the presentation of the attendance pass, attendance card or other attendance documents. Proxy holders should have identity documents with them for examination.

4.3.4 When the government or juridical person is a shareholder, the shareholder attending the meeting by proxy is not limited to one representative. The juridical person that has attended the meeting of shareholder by proxy can authorize only one representative to attend the meeting.

4.4 Chairperson and Participants

4.4.1 Shareholders meetings that are convened by the Board of Directors shall be

chaired by the Chairmen. If the Chairman is unable to perform his/her duties due to leave of absence or any reasons, the Chairman may appoint one of the directors to act on behalf. If no one is appointed, the remaining directors will appoint one among themselves to perform the Chairman's duties on behalf.

- 4.4.2 It is preferable if more than half of the board directors attending the shareholders' meeting that is convened by the board of directors, and that at least one member of other functional committees attend as representative. Attendance details should be recorded in the shareholders meeting minutes.
- 4.4.3 If the shareholders' meeting is convened by any authorized party other than the Board of Directors, the convener will act as the meeting chairman. If there are two or more conveners, they shall appoint one among themselves to chair the meeting.
- 4.4.4 The Company may assign the appointed attorney, CPA, or responsible personnel to attend the meeting of the shareholders.
- 4.5 The Company shall record or video the entire process of the Shareholders' Meeting, and keep it for at least one year. However, if the Shareholders institute a lawsuit against the validity of the Shareholders' Meeting or withdrawal of the resolution of the Shareholders' Meeting, the recording or video shall be kept until the end of the lawsuit.
- 4.6 Attendance of the meeting of shareholders should be calculated in accordance with the shareholdings. The shareholding attendance is based on the attendance registry or the signature cards submitted, plus the votes exercised in writing or by electronic means.
- 4.7 The chairperson shall announce the commencement of meeting as soon as it is due. However, if attendants represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. Even after two attempts there are still less than half of the Shareholders of the total issued shares attending the Shareholders' Meeting, the Chairman may announce cancellation of the meeting.
- 4.8 Discussion of Meeting Agenda
 - 4.8.1 If the meeting of shareholders is convened by the Board, the agenda is scheduled by the Board; also, the meeting should be conducted in accordance with the agenda scheduled and it may not be amended without the resolution reached in the meeting of shareholders.
 - 4.8.2 If the meeting of shareholders is convened by an authorized person other than the Board, the provision referred to above is applicable.
 - 4.8.3 The Chairman may not have the meeting adjourned at his discretion before the proposals (including motions) resolved in the two agendas referred to above. If the Chairman has the meeting adjourned in violation of the Rules of Procedure for Shareholder Meetings, the other Board members shall promptly assist the attending shareholders in accordance with the legal procedures to have one shareholder elected as the Chairman with the majority votes of the attending shareholders to continuously chair the meeting.
 - 4.8.4 The Chairman must give the proposal or the amendment and motion proposed by the shareholders an opportunity to be explained and discussed sufficiently until it is ready for balloting and then stop the discussion for balloting, and at least one member of each functional committee in person on behalf of the committee. The attendance shall be recorded in the meeting minutes.
 - 4.8.5 Election or dismissal of directors, amendments to the Articles of Incorporation,

reduction of capital or to compulsorily repurchase and cancel the shares of the Company in accordance with Article 19-1(1) of the Company's Articles of Incorporation, the application for the approval of ceasing its status as a public company, the dissolution, merger, or demerger of the Company or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs of R.O.C. or the company, and such website shall be indicated in the above notice.

- 4.8.6 During the listing period, shareholders holding 1% or more of the total number of outstanding shares of a company may propose to the Company a proposal for discussion at a regular shareholders' meeting in writing or by way of electronic transmission, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. In addition, 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 shall include it in the agenda. A shareholder proposal proposed for urging the Company to promote public interests or fulfill its social responsibilities, despite the circumstances provided in Article 172-1, paragraph 4, of the Company Act of Taiwan, may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors.

4.9 Delivery of speech by shareholders

- 4.9.1 Shareholders who wish to speak during the meeting must produce a Speak Request Form detailing the topics and the shareholder's name and account number (or the attendance ID serial). The order of shareholders' comments will be determined by the meeting chairman.
- 4.9.2 Attending shareholders who have speech slips submitted but not speak shall be deemed as silent shareholders. If there is a discrepancy found between the text of the speech and the speech slip submitted, the contents of the speech shall prevail.
- 4.9.3 Each shareholder may have the floor for delivery of the speech on the same motion once only, and may take the floor twice only at the approval of the Chairman. Only 5 minutes is allowed for each speech. If the content of the speech defies the parliamentary rules or deviates from the motion, the Chairman shall interrupt the speech.
- 4.9.4 Attending shareholders may not interfere with the speaking shareholders without the consent of the Chairman and the speaking shareholders. The Chairman will have the violating shareholders stopped.
- 4.9.5 If the juridical person shareholder has more than two representatives assigned to attend the meeting of shareholders, only one of the two representatives may speak on the same proposal. The Chairman may reply to the speaking shareholders personally or by the designated personnel.

- 4.10 Counting of the vote
- 4.10.1 Resolutions of the meeting of shareholders should be based on their shareholdings.
- 4.10.2 For the resolutions in the meeting of shareholders, the shares of the shareholders without votes are not included in the calculation of outstanding shares.
- 4.10.3 Shareholders who have a conflict of interest with the proposals that are detrimental to the Company's interests shall not vote, and cannot vote by proxy on behalf of the other shareholders.
- 4.10.4 The number of shares held by shareholders who are not permitted to vote shall be excluded from total voting rights represented in the meeting.
- 4.10.5 Every Shareholder has one voting right, unless it is restricted or stated in the Articles of Incorporation.
- 4.11 Unless otherwise stated in the Cayman Law, Listing Rules or Articles of Incorporation, an approval means more than half of the attended Shareholders need to approve it. The Chairman or the designated personnel are to announce the total number of balloting rights of the shareholders presented at the time of balloting.
- 4.11.1 When there is an amendment or alternative for the same motion, the Chairman shall have the order of vote, including the original proposal, determined accordingly. If one of the motions has been passed, the other motions shall be deemed as rejected without the need for further resolution.
- 4.11.2 Chairman is to appoint the scrutineers and counting officers who must be shareholders. Ballot counting should be held at the meeting place with the ballot counting result announced immediately and records kept.
- 4.12 Elections
- 4.12.1 An election of Directors and Supervisors may be held in a session of the Shareholders' Meeting, shall proceed in accordance the rules and regulations of the Company, and the election result shall be announced on the scene.
- 4.12.2 Electoral ballots referred to above shall be sealed and signed by the scrutineers and reserved for at least one year. However, if the Shareholders institute a lawsuit against the validity of the Shareholders' Meeting or withdrawal of the resolution of the Shareholders' Meeting, the recording or video shall be kept until the end of the lawsuit.
- 4.13 The resolutions reached in the shareholders' meeting must be documented in the minutes of meeting for the signature or seal of the Chairman. The minutes of meeting must be distributed to the shareholders in 20 days. The preparation and distribution of the minutes of shareholders' meeting can be processed electronically.
- 4.14 For shareholders holding less than 1,000 registered shares, the company may distribute the minutes under the previous paragraph by public announcement on the Market Observation Post System.
- 4.15 The minutes of meeting should be prepared in accordance with the year, month, date, place, name of the Chairman, the resolution method, meeting procedure and the results, and shall be permanently reserved throughout the duration of the Company.
- 4.16 Public announcement
- 4.16.1 The Company shall keep track on and compile the statistical data on the quantity of shares represented through assignment or represented by proxies in the

required format on the day of the session, and disclose them explicitly on the scene of the meeting.

4.16.2 For resolutions of the Shareholders Meeting, if it is an important announcement in accordance to the law, the regulations of the Taiwan Stock Exchange, or TPEX (if applicable), the Company shall, within the instructed time, post such information to the Market Observation Post System.

4.17 Keep the order of the session.

4.17.1 The staff responsible for organizing the meeting of shareholders shall wear identification badges or armbands.

4.17.2 The Chairman may direct disciplinary personnel or security personnel to help keep the meeting place in order. The disciplinary personnel or security personnel that help keep the meeting place in order should wear an armband with “Marshal” affixed or an identification card.

4.17.3 When the meeting place is equipped with amplifying equipment, the Chairman may stop shareholders who do not use the speaking device provided by the Company from speaking. The Chairman may instruct the disciplinary personnel or security personnel to have shareholders who violate the Rules of Procedure for Shareholder Meetings, disobey the instructions of the Chairman, intervene in the meeting proceedings and fail to comply with the disciplinary act escrowed to leave the meeting place.

4.18 Recess, resumption of meeting.

4.18.1 The Chairman may announce for recess in the course of the session. In the event of force majeure, the Chairman may announce for a suspension of the session and announce the time for resuming the session.

4.18.2 If the meeting place cannot be used continuously before the proposals (including motions) resolved in the agendas scheduled, it can be resolved to be continued in the meeting of shareholders to find another venue for the meeting.

4.18.3 The Shareholders’ Meeting may decide to delay or continue within 5 days.

4.19 The rule begins once decided by the Shareholders’ Meeting; the same applies when there is a change of rule.

5. Related attachment: None

6. Related departments: All departments

This procedure was established on April 16, 2010 after approved in the Board Meeting.

This procedure was established on May 19, 2010 after approved in the Shareholders’ Meeting.

The procedure was first established on April 12, 2013 after being approved in the Board Meeting.

This procedure was first amended on May 13, 2013 after approved in the Shareholders’ Meeting.

The second amendment of this procedure was on March 4, 2019, after approved in the Board Meeting.

The second amendment of this procedure was on June 14, 2019, after approved in the Shareholders’ Meeting.

Appendix 5

All Directors' Shareholding Status

Tong Ming Enterprise Co.,Ltd.

The Status of the Entire Directors' Shareholding

Until the Lockout Date: The Status of Each Directors' Shareholding as listed in the Shareholders' List as of April 17, 2020, is as below:

Title	Name	Shares
Chairman	Tsai Ching-Tung	3,317,625
Director	Tong One Holdings Limited Representative: Tsai Hung-Chuan	24,000,000
Director	Richard International Co.,Ltd Representative: Tsai Yi-Ting	24,000,000
Director	Ko Wew-Ling	173,000
Independent director	Huang Ming-Tze	0
Independent director	Ko Yung-Hsiang	0
Independent director	Hsu Ching-Pang	0
Total		51,490,625

Note: (1) The paid-in capital of the Company is NT\$1,680,000,000, and the total issued shares are 168,000,000.

(2) In accordance with the "Rules and Review Procedure for Directors and Supervisor Share Ownership Ratios at Public Companies", the minimum shares to hold for the entire Board of Directors is 10,080,000.

