

Stock code: 1256



Sunjuice Holdings Co., Ltd.

**2024 General Shareholders' Meeting**  
**Annual General Meeting (AGM) manual**

(Translation)

Meeting Time: 11:00 AM on June 6, 2024

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

Convening Method: Physical Meeting

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## Attachment:

Attachment I. 2023 Business Report

Attachment II. 2023 Audit Committee's Review Report

Attachment III. Comparison Table of Amendments to "Procedure for the Board of Directors' Meetings"

Attachment IV. Financial Statements.

Attachment V. Earnings Distribution Table

Attachment VI. Comparison Table of Amendments to the "Management Procedures for Loaning Funds to Others"

Attachment VII. Comparison Table of Amendments to "Management Procedure for Acquisition or Disposal of Assets"

## Appendix:

Appendix I: Articles of Incorporation

Appendix II: Rules of Procedure for Shareholders' Meetings

Appendix III: Shareholdings of All Directors

# **One. Procedure for the 2024 Annual General Meeting of Sunjuice Holdings Co., Ltd.**

- I. Announcement of the commencement of the meeting (report the number of shares represented by shareholders present at the meeting)
- II. Chairman's speech
- III. Report Items
- IV. Proposed resolutions
- V. Discussion matters
- VI. Extraordinary Motion
- VII. Adjournment

## **Two. Agenda of the 2024 Annual General Meeting of Sunjuice Holdings Co., Ltd.**

Time: 11:00 a.m. on June 6, 2024 (Thursday)

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

Convening Method: Physical Meeting

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

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

III. Report Items

Agenda 1. 2023 Business Report

Agenda 2. Audit Committee's Review Report on the 2023 Financial Statements

Agenda 3. Report on the 2023 distribution of remuneration to employees and directors

Agenda 4. Amendments to the Company's "Procedure for the Board of Directors' Meetings"

IV. Acknowledgment matters

Agenda 1. Ratification of the 2023 Business Report and Financial Statements

Agenda 2. Ratification of the 2023 earnings distribution

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

V. Discussion matters

Agenda 1. Amendments to the "Management Procedures for Loaning Funds to Others"

Agenda 2. Amendments to the "Procedures for Acquisition or Disposal of Assets"

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

VI. Extraordinary Motion

VII. Adjournment

### **Three. Report Items**

Agenda 1: Proposed by the Board of Directors

Proposal: The 2023 Annual Business Report, submitted for approval.

Description: For the Company's 2023 Annual Business Report, please see Attachment I of this Handbook.

Agenda 2: Proposed by the board of directors

Proposal: The Audit Committee's Review Report on the 2023 Financial Statements, submitted for approval.

Description: The Company's Audit Committee Review Report, please see Attachment II of this Handbook.

Agenda 3: Proposed by the board of directors

Proposal: Report on the 2023 distribution of remuneration to employees and directors, submitted for approval.

Description: According to Article 122 of the Articles of Incorporation, the Company shall distribute no more than 1% of the current year's profit as remuneration to employees and no more than 2% as remuneration to directors. Whereas there is accumulated deficit, the Company should compensate the accumulated deficit. The total amount of Director remuneration distributed in 2023 was NT\$1,220 thousand, and the total amount of employee compensation distributed in cash was NT\$885 thousand.

Agenda 4: Proposed by the Board of Directors

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

Description: In line with the Financial Supervisory Commission's amendments to the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies", the Company amended its "Procedure for the Board of Directors' Meetings". For the comparison table of the amended provisions, please see Attachment III of this Handbook.

### **Four. Acknowledgment matters**

Agenda 1: Proposed by the Board of Directors

Proposal : Please ratify the 2023 Annual Business Report and Financial Statements.

Description: I. The Company has completed the preparation of the 2023 Annual Business Report and Consolidated Financial Statements (please refer to Attachment IV of this handbook).

II. This matter has been reviewed and approved by the Audit Committee and has been discussed and approved by the Board of Directors. It is hereby submitted to the shareholders' meeting for approval in accordance with the law.

Agenda 2: Proposed by the board of directors

Proposal: Please ratify the 2023 earnings distribution.

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

II. The 2023 earnings distribution table is presented for reference (please refer to Attachment V of this handbook).

III. After the 2023 earnings distribution table was reviewed by the Board of Directors, it was submitted to the 2024 General Shareholders' Meeting for approval. The chairman is authorized to set the ex-dividend date and handle related matters in full.

IV. For the cash dividends allotted at less than one dollar of the zeros for the total count, the decimal point values are ranked from large to small and distributed to zero according to the shareholders' allocation.

V. Afterwards, if the number of circulating shares is affected by other factors such as cash replenishment, buying back of treasury shares or cancellation, it is proposed for the shareholders' meeting to authorize the board of directors to adjust the interest rate and handle the relevant matters in its entirety.

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

## **V. Discussion matters**

Agenda 1: Proposed by the Board of Directors

Proposal: Please discuss the amendments of the "Procedures for Loaning of Funds to Others".

Description: In order to align with the actual operational processes of the Company, amendments have been made to the "Procedures for Loaning of Funds to Others". Please refer to the amendment comparison table in this handbook (Attachment VI).

Agenda 2: Proposed by the board of directors

Proposal: Please discuss the amendments of the Company's "Procedures for Acquisition or Disposal of Assets."

Description: In compliance with the revisions made by the competent authority in Taiwan to the "Procedures Governing the Acquisition and Disposal of Assets by Public Companies", amendments have been made to the "Procedures for Acquisition or Disposal of Assets" of the Company and subsidiaries. Please refer to the amendment comparison table in Attachment VII for details.

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

## **VI. Extraordinary Motion**

## **VII. Adjournment**

## 2023 Business Report

Dear shareholders, the Company would like to present a summary of operational performance and future prospects for the fiscal year 2023 as follows:

### I. Operational Performance in 2023

(I) Business plan implementation results:

Unit: New Taiwan Dollars (thousand)

Items \ Year	2023	2022	Increase (decrease) amount	Changes percentage (%)
Operation Income	4,631,966	4,101,393	530,573	12.94%
Operating cost	3,328,805	2,931,835	396,970	13.54%
Gross profit	1,303,161	1,169,558	133,603	11.42%
Operating Expenses	736,746	616,066	120,680	19.59%
Operating Net Profit	566,415	553,492	12,923	2.33%
Non-operating Income and Expenses	83,044	76,582	6,462	8.44%
Net Income before Taxes	649,459	630,074	19,385	3.08%
Income tax expenses	169,728	165,382	4,346	2.63%
Net Profit of Current Year	479,731	464,692	15,039	3.24%

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

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

Unit: New Taiwan Dollars (thousand)

Items \ Year		2023	2022	Increase (decrease) amount	Changes percentage (%)
Financial income	Operation Income	4,631,966	4,101,393	530,573	12.94%
	Gross profit	1,303,161	1,169,558	133,603	11.42%
	Interest income	52,853	35,951	16,902	47.01%
	Interest expense	1,524	1,332	192	14.41%
	Net Profit of Current Year	479,731	464,692	15,039	3.24%
Profitability	Return on assets (%)	10.04%	9.81%	0.23%	2.34%
	Return on shareholders' equity (%)	11.45%	11.44%	0.01%	0.09%
	Net profit rate (%)	10.36%	11.33%	(0.97%)	(8.56%)
	Basic earnings per share (NTD)	12.41	11.92	0.49	4.11%

## II. Development of the China Market

### 1. Income levels

According to data from the National Bureau of Statistics of China, the per capita disposable income of Chinese residents in 2023 was RMB 39,218, a nominal increase of 6.3% compared to 2022. After adjusting for price factors, the actual increase was 6.1%. The per capita disposable income of urban residents was RMB 51,821, a nominal increase of 5.1% compared to the previous year. After deducting price factors, the actual growth was 4.8%. For rural residents, the per capita disposable income was RMB 21,691, a nominal increase of 7.7% compared to the previous year. After deducting price factors, the actual growth was 7.6%. The national median per capita disposable income was RMB 33,036, a nominal growth of 5.3% compared to the previous year.

### 2. Consumer profiling

With the pursuit of healthy life and the appreciation of traditional culture, new teas combining traditional culture with modern trend elements and are warmly embraced by consumers. New teas have become a lifestyle habit for young people. The consumers of new tea drinks are mainly young people, who have a strong demand for fashion, personalization, and health, and are more receptive to tea drinks. At the same time, the new tea brand focuses on building a young and fashionable brand image, and has attracted the attention and participation of young consumers through social media and offline events, further expanding their consumer base. Females account for nearly 70% of tea consumers, and the post-90s and post-2000s generation have become the main consumers of new teas, accounting for approximately 75% of the market. According to the census data of China, the total population of the post-90s and post-2000s generations exceeds 330 million. The post-90s generation is entering a golden period of career development, while the first batch of post-2000s has already entered society. Among the new tea consumers, 44.3% have an income of RMB 5,001 to 10,000, and 29.9% of them have an income of RMB 10,001 to 15,000. They are willing to spend, generally value quality and service, are intrigued by new things, and pursue personalization, diverse, and experiential consumption. At the same time, with the upgrading of consumption, new tea drinks are also iterated continuously, developing in a healthier, more natural, and safer path. New tea brands have launched some drinks suitable for children and middle-aged and elderly people, further expanding the consumer base. The vast consumer base brings broad development space for the new tea beverage market.

### 3. Development opportunities for the food and beverage industry:

2023 was a year marked by the waning influence of the pandemic and the restoration of economic order, as well as a year of recovery for the catering industry. Despite the ups and downs throughout the year, the return to the normal rhythms of life and the pursuit of happiness were gradually coming back into people's focus. According to data released by the National Bureau of Statistics of China, the catering revenue in China was RMB 5.289 trillion in 2023, a year-on-year increase of 20.4%. Under the background of the



gradual recovery of the catering industry and the dual boost from cultural confidence and supply chain capacity overflow, the trend of going global became “phenomenal” in 2023.

The gradually improving macroeconomic environment is the foundation for confidence in future catering development. With consumer willingness steadily rising to historic highs, the catering consumption continues to recover rapidly, driving an increasingly stronger domestic demand. The continuous increase in the chain restaurant penetration rate indicates promising prospects. Looking ahead, enterprises are actively adjusting their operational strategies to embrace new development opportunities.

#### 4. Competitive Landscape:

After enduring three years of pandemic induced hardships, the consumer market witnessed a comprehensive recovery in 2023. However, the slogan of “revenge consumption” did not seem to manifest within the tea beverage market. A trend towards rational and healthy consumption has emerged, promoting increasing doubt among consumer about questionable characteristics such as high sugar, high fat, and high trans fatty acids in the tea beverages, which has compelled the market to introduce new tea drinks.

In 2023, the new tea beverage industry experienced a year of “involution”, including aspects such as “pricing”, “product”, “scenario”, “experience”, “marketing”, “listing”, and “overseas expansion”, etc. However, it is precisely because of this internal competition that the industry has accelerated its standardization and normalization, promoting the mutual progress of consumption and the market.

In 2024, it is foreseeable that new tea beverage brands will continue to fiercely compete in various directions such as “second-tier”, “10 thousand store plans”, “sinking”, and “overseas expansion”. However, in these tracks, it is destined that the disruptors will advance and the conservatives will be eliminated. The new tea beverage market will also accelerate the survival of the fittest and enter a new round of reshuffling.

### III. Summary of 2024 Operational Plan

#### 1. Business guidelines

The Company is a full-service provider of raw materials for new tea beverages. The Company mainly engages in the R&D, production, and sales of juice products, fruit pulps, and textured granule products, playing an important role in the supply chain of the new tea beverage industry. The Company has always been committed to producing natural, healthy, safe, and delicious products, and is dedicated to the development and upgrading of high-quality products. The Company continuously meets the personalized needs of new tea beverage companies and provides customized products and full-process services to customers.

#### 2. Sales target and the basis

In 2023, China's full-year GDP exceeded RMB 126 trillion, an increase of 5.2% over the previous year. The economic growth rate is higher than the global economic growth rate of about 3%, ranking first among the world's major economies, contributing more than 30% to world economic growth, being the largest engine of world economic growth. Goldman Sachs predicts that China's GDP growth rate in 2024 is expected to reach 4.8%, and consumption and investment will become the engines of economic growth.

According to the data of the "2023 New Tea Beverage Research Report" published by the China Chain Store & Franchise Association, in the first half of 2023, the "new tea beverages" consumer market rebounded strongly in the first quarter, grew steadily in the second quarter, and performed well in the summer. The annual new tea beverage consumer market scale is expected to reach 149.8 billion, recovering the 3-year compound growth rate of nearly 20%. By 2025, the domestic consumer market is expected to further expand to NTD 201.5 billion. In terms of the number of stores, as of August 31, 2023, there were approximately 515 thousand new tea beverage stores in operation, compared to 378 thousand at the end of 2020, representing a growth of over 36%. Judging from the proportion of beverage stores included in Meituan, Dianping and Meituan's takeaway platform, in June 2023, new tea stores accounted for 57.7% of the total number of beverage stores, a decrease of 2.2% from the end of 2022.

The new tea beverage industry has a high level of standardization and strong reproducibility, and is the category in the catering industry with the highest chain store rate. According to the forecast of the CUBA Research Institute, the chain store rate of China's new tea beverage industry will reach 63.89% in 2023. Judging from the changes in the number of new tea brand stores of different scales, the number of small-scale brand stores has continued to decrease in the past three years. The growth in the number of stores of large-scale chain brands in 2023 is accelerated, and the "Ten Thousand Stores Plan" has become an inevitable goal.

As the macroeconomic recovery in China has restored public confidence, the willingness to consume gradually increased, and the new tea beverages will usher in stable growth. In 2024, based on the current status of the industry and the Company's plans, the growth target in line with the overall interest of the Company has been formulated to maintain the continuous growth of the Company's performance .

### 3. Policy and market factors

In 2024, the international environment will continue to be extremely complex, due to ongoing conflicts of Russia-Ukraine and Palestine-Israel. The rapid development of artificial intelligence has triggered ethical disputes, while the increasingly severe challenges of climate change demand collective action. Multiple global dynamics are evolving simultaneously, accelerating the evolution of international order. Many areas are still facing significant uncertainties. The economic development in China is still faced with the triple pressure of demand contraction, supply shocks and weakening expectations. This is why China's economic work in 2024 will still be based on "adhering to the general principle of seeking progress while maintaining stability", emphasizing "consolidation and

enhancement of the positive trend of economic recovery, and continuous promotion of economic qualitative and efficient improvements as well as reasonable growth in quantity.” Currently, China is at a crucial stage of economic recovery and industrial transformation and upgrading. Under the strong leadership of the central government of China, local governments are implementing high-quality decision-making arrangements to promote sustained and healthy economic development.

The middle-income group in China continues to expand, and there is great potential for people’s needs for clothing, food, shelter, transportation, and cultural consumption. As consumption upgrades and consumer confidence increases, the consumption attributes of new tea beverages in 2024 will allow more people to consume, dare to consume, and willing to consume. With the implementation of various policies, new impetus will be injected into the development of the Chinese economy. The new tea beverages industry will flourish as a pioneering force in the catering industry.

#### **IV. Important Strategies for 2024**

##### **1. Production strategy:**

The Company continues to deepen the lean production management concept, optimizes the warehouse management (WMS) system and adds the transportation management (TMS) system based on the original office system. We continue to improve and deploy automated and intelligent production lines to improve production efficiency and create a smart chemical plant. In order to meet the diversified needs of customers, the Company not only realizes the production requirements of customers in multiple varieties, small batches, multiple batches, and various specifications, but also strategically position ourselves to address requirements for large-scale production, large batch orders, and continuous production. The Company's WMS system, SAP system, and TMS system are connected to achieve product traceability throughout the process of production, warehousing, and transportation, and provide high-quality and efficient supply chain services for new tea customers. Currently, the Company has four factories, located in Kunshan Jiangsu, Zhaoqing Guangdong, Tianjin Binhai, and Base Guangxi. The Kunshan, Guangdong, and Tianjin production bases serve customers in their respective regions, allowing for shorter transportation distances. This not only improves the efficiency of raw materials distribution to customers but also effectively reduces transportation costs. The Company's three production facilities have a unified standard production process, which ensures stable product quality. This allows the Company to serve customers located throughout the country through its nationwide sales network. This provides customers with strong supply chain support so they can expand their business throughout the country while maintaining stable product quality. The upstream raw material factory in Guangxi supplies the advantageous raw materials to the factories in Kunshan, Guangdong, and Tianjin to ensure the quality and price of raw materials, while also providing customized products for some of the new tea customers.

##### **2. Sales strategy:**

The Company's current sales model primarily focuses on direct sales, with some coverage in distribution channels. Through years of strategic planning, the Company has established a relatively complete marketing network system with efficient and high-quality sales channels, and maintains close cooperative relationships with various channels. As the new tea brand becomes a chain store, the proportion of direct selling customers has exceeded 70%. For direct selling customers, the Company has established dedicated customer service teams at all three factories. These teams are capable of providing exclusive formulas and packaging based on customer requirements, ensuring product differentiation. They also offer customized sales and distribution services to guarantee the stability of product supply quality and maintain the order of customer chain operations, which helps establish long-term partnerships built on mutual trust. For distribution customers, the Company has established a comprehensive network of distributors nationwide. In the context of competition in mature markets, the Company regularly provides market information and new product training to distributors. This enables distributors to quickly introduce the Company's new products to regional markets, expanding the Company's product visibility and influence.

Customer development aspect: The Company will segment the market into different customer groups and position them according to their needs and characteristics. For example, catering enterprises, coffee system, tea beverage chain, etc., design and customize sales plans for different customer groups, and provide targeted products and services.

Market research aspect: Understand the development trends, demand characteristics, and the competitive landscape of the tea beverage market, obtain market information through methods such as market research, product studies, and data analysis; understand consumer demand and preferences for tea raw materials, and identify market opportunities and potential customers.

Pricing strategy aspect: Formulate a reasonable pricing strategy based on product costs, market demand, and competitive conditions and develop a reasonable pricing strategy that considers the balance between price and value; strive to achieve customer satisfaction while maintaining profitability for the Company. Meanwhile, according to the level, scale and positioning of customers, we will offer specific pricing and contract binding to attract and retain customers and increase our sales share.

### 3. R&D strategy:

The Company has a specialized R&D department that has established a comprehensive R&D system. The R&D department has a solid understanding of the fresh and healthy development trends in the beverage market and focuses on the development of nutritious and healthy products. The R&D Office is equipped with advanced experimental equipment that can conduct basic research, overcome technical difficulties, reserve innovative technologies, optimize production processes and technologies, and improve product quality and diversification. This setup facilitates the efficient development and mass production of new products, driving market trends. The Company

can complete the entire process from R&D creativity or responding customer demand proposal, to sample production, cost accounting, beverage application testing, rapid response testing in the pilot workshop, and marketing trial within one month. The Company's R&D team regularly visits the market and maintains close contact with customers to deepen customer cooperation and provide comprehensive solutions. At the same time, the Company can also develop new products in collaboration with various types of customers, providing tailored customized formulas to enable customers to have differentiated and competitive products in the channel.

Over the years of research and innovation, the Company has developed a robust product line, producing close to 2,000 different specifications and categories of products each year. Regarding product quality, the Company offers products with various amounts of fruit juice or pulp. In terms of taste, the Company offers popular flavors such as strawberry, mango, passion fruit, lemon, grape, and peach, as well as less common ones such as Chinese berry, mulberry, Orahmandarin, Hawthorn Berry, and Chaenomeles speciosa. The Company also offers a variety of fruit-flavored complex tastes. In the direction of beverage upgrades, real tea, milk, fruit, sugar, and zero additives have become selling points for major brands in marketing, and they have also become preferred choice for consumers when buying beverages. At the same time, the texture granules have played a crucial role in promoting the popularity of new tea additives. The Company has upgraded its texture granules products and launched the Red Bean Pearls and shaped crystal balls. With the continuous expansion of new tea beverage channels, the Company has launched new tea beverage products suitable for new retail channels, such as Mango Pomelo Sago, Chinese berry sago, flavored lemon tea, and lime juice, with advanced technology and food safety management. The Company's extensive and comprehensive product line can meet the diverse needs of the market and provide customers with diversified choices.

In response to the needs of the rapid development of the new tea beverage market, the Company newly deployed R&D centers for key customers this year. The marketing department's proposals, customer needs and R&D implementation are connected to meet customer product needs accurately and quickly develop new products and new flavors to cater for changing consumer needs.

#### 4. Environmental protection strategy

In response to national requirements for ecological protection boundaries, environmental quality standards, resource utilization limits, and goals for ecological zoning control to promote sustainable economic and social development, the Company has installed new sewage treatment equipment and systems to enhance sewage treatment capacity. Industrial wastewater generated during the production process is treated at the Company's own wastewater treatment plant, which ensures that the COD content of discharged water is less than 50% of local discharge standards set by the country. Additionally, the treated water is used for landscaping irrigation within the factory premises and solid waste cleaning, thereby reducing emissions.

The Company continues to improve its processes and upgrade its equipment annually, reducing the amount of solid waste generated during production. Solar energy is used to power outdoor lights, and it is increasingly used in newly built companies. Different energy-saving and emission-reduction measures are formulated according to the geographical location and temperature differences of different factories, in order to reduce energy consumption and reduce pollution to the environment.

## 5. Quality strategy

The Company's products are raw materials for beverages that have a direct impact on consumers' health. Food safety has always been a top priority for the Company, and thus the Company has obtained certifications for ISO 9001 quality control system, ISO 22000 food safety management system, FSSC 22000 food safety system, HACCP management system, and ISO 14001 environmental management system. The Company has established a food safety management system that includes supplier evaluation, inbound inspection, raw material usage, production process monitoring, and product release inspection to guarantee product quality and safety. Every step is meticulously executed according to relevant quality standards to maintain quality control throughout the procurement, production, and sales processes. The Company's quality control system is effective and product quality is stable.

## **V. Affected by the economic environment, external competitive environment, and regulatory environments**

### 1. Influence of the economic environment

- ① In 2023, China's economy withstood external pressures and internal difficulties, with an overall recovery in economic development, and major targets were successfully achieved. Whether it was a horizontal comparison with major global economies, or a vertical comparison with China in the past few years, China's economic "report card" in 2023 was indeed hard-won. Entering 2024, the uncertainties of the international situation, including trade protectionism, technological blockade and geopolitical tension will affect the global supply chain system, and the global economy will fall into a period of slow growth for the long-term. These factors will bring greater pressure to the economy in China.
- ② Climate changes and environmental protection pose global challenges in 2024. The uncertainties in geopolitics and extreme weather conditions leads to fluctuations in energy, food, and commodity prices. Inflation will continue to drive up consumer prices, resulting in increased consumer spending for residents. However, with no significant growth in income, non-essential expenses may face reductions.
- ③ The year 2024 marks the 75th anniversary since the founding of the People's Republic of China and is a critical year for the implementation of the "14th Five-Year Plan". China government's economic work conference has made important arrangements for economic work in 2024, emphasizing the principles of seeking progress while

maintaining stability, promoting stability through progress, and addressing challenges in a proactive manner. Through innovation in science and technology, we aim to lead the construction of a modernized industrial system. We will strengthen policy coordination to ensure that macroeconomic policies are aligned and synergized, accelerating the establishment of a unified national market and achieving a higher level of supply-demand balance. We will further expand high-level and opening-up to the outside world, promote urban-rural integration and regional coordinated development, effectively safeguard and improve people's lives, ensure stable employment for key groups, and vigorously promote the sustained improvement of the employment situation. By promoting more abundant and higher-quality employment opportunities, we aim to increase the income of workers and ensure that the people truly feel the tangible benefits. With the support of these favorable policies, new tea is ushering in a new growth point with its social attributes and the emotional needs of young people.

- ④ On the positive side, there are many opportunities for China's economic development. First, China has the super large-scale market with the most potential in the world. As social expectations gradually improve, high savings will gradually shift to consumption and investment. Second, macroeconomic policies will continue to provide support for economic recovery. This year, China will continue to issue RMB 1 trillion government bonds, and the effects of policies such as cutting reserve requirement ratio, reduce taxes, and fee reductions will continue to be released in Q2 and Q3. Additionally, new measures will be introduced, with incremental and stock policies working together to effectively promote economic recovery. Third is to increase efforts to attract foreign investment and continue to optimize the business environment. Last but not least, the new round of global technological revolution and industrial reform contains new opportunities. Technology breakthroughs in big data, artificial intelligence, new energy, quantum technology, bio-manufacturing and other fields are accelerating, driving faster transformation in production and consumption. Such developments will foster industrial changes, providing a broader stage for economic development in China.

## 2. Influence of the competitive environment

The impact of China's external competitive environment in 2024 will largely depend on global economic development, trade policies, technology competition, human resource markets, and geopolitical risks. The catering industry is affected by factors such as changes in consumer demand, market innovation and competitor strategies. Tea and beverage companies should pay attention to consumers' health awareness and needs, continue to innovate and launch products in line with market trends, and build diversified sales channels to maintain competitiveness and sustainable development.

## 3. Influence of the legal environment

- ① From January 1, 2024, China has adjusted the import and export tariffs of some commodities to promote a high-level of opening-up, a domestic and international

circular economy, as well as sound economic development.

- ② Announcement of the "Decision of the State Council on Amendment of the Rules for Implementation of the Patent Law of the People's Republic of China", will come into effect on January 20, 2024. This aims to improve the patent application system, facilitate patent acquisition for applicants, strengthen patent protection, safeguard the legitimate rights and interests of patents, and encourage innovation in enterprises research and development.
- ③ On January 21, the State Taxation Administration issued a new version of the "Taxation Policy Guidelines to Stabilize Foreign Trade and Foreign Investment", updates the relevant taxation support policies and tax collection service measures currently in effect. This way, taxpayers can better understand and apply to the policies, and create a framework for the development of foreign trade and foreign investment, therefore creating a favorable tax environment for the development of foreign trade and investment.
- ④ On January 22, the State Council held an executive meeting to listen to a report on the operation of the capital market and work considerations. The meeting emphasized the need to further improve the basic system of the capital market, pay more attention to the dynamic balance of investment and financing, and vigorously improve the quality of listed companies and investment value, increase the influx of mid- and long-term funds into the market, and strengthen the inherent stability of the market.

## **VI. Development strategies**

- 1、The Company's main customers are new tea beverages and new retail businesses. To better serve these customers, the Company has mobilized experienced R&D personnel to form a dedicated R&D team for main customers. This team works closely with the marketing, sales, production, quality control, and supply chain departments to swiftly respond to customer needs. They provide exclusive formulas and packaging for customers to ensure product differentiation. Additionally, the Company is optimizing their distribution network, collaborating deeply with high-quality distributors to offer customized products that meet the diverse customer demands. Empower traditional sales channel distributors to use the fresh online ordering platform to provide distributors with customer acquisition tools and product distribution solutions, to achieve complementary advantages with distributors, multi-win-win, and jointly serve customers. The Company will also continue to expand and deepen the sales channels of coffee, baking, and Chinese cuisines in the future. The Company will be committed to expanding the sales network coverage from first- and second-tier cities to new first-tier cities and third- and fourth-tier cities in order to increase the market breadth of the products and the number of customer groups, ultimately increasing the scale of the its product and sales.
- 2、The Company will consistently adhere to a market and customer-based approach, continuously broaden its product lines and upgrade its product technology, to



enhance its ability to quickly respond to customized customer needs. Furthermore, the Company will leverage AI, big data, and other analytical tools to deepen the understanding of industry trends and regional differences in the evolving new tea beverage market while serving customers. Combine new raw materials, new formulas, and new technologies to develop new products to meet the diversified needs of the market, leading the market trend, and enhance the core competitiveness of the Company.

- 3、In order to meet the needs of business development and improve production efficiency and timeliness of delivery, the Company has upgraded the refrigeration capacity of its three factories in Kunshan, Guangdong and Tianjin this year. Additionally, we have optimized the layout of production lines and equipment at the raw material factory in Guangxi Base, to adapt to the production and processing requirements of different products. In the future, the Company will continue to further upgrade and optimize the production lines and equipment of Factory No. 4 to deploy smarter production workshops. The Company will enhance the scale effect of production and manufacturing while ensuring product quality, better promoting the Company's business development and increase profits, and enhance the Company's competitiveness.
- 4、The Company considers human resources as the most valuable asset, and will actively promote localization, youthfulness, and professionalism of talent teams based on existing workforce. The Company will focus on cultivating internal talents and looking for professionals with relevant experience and skills to join the team and build a diverse talent team. The Company will further strengthen the corporate culture construction, improve employment mechanism, stabilize core team, and lay a solid talent foundation for the Company's development.
- 5、Adhering to the foundation principle of maximizing shareholder value, the Company will, when conditions permit, pursue acquisitions of other related enterprises or merge with resources within the industry. This strategy aims to achieve expansion at low cost, improve product structure and market layout, increase market shares, extend the industrial chain, and reduce operational costs.
- 6、Layout for overseas incremental markets, conduct market research on targeted overseas markets, and understand consumer needs, competition patterns, and regulatory requirements in the markets. Cooperate with local distribution partners and select target markets for products with potential to achieve mid- and long-term overseas market development.
- 7、As China's economy continues to grow and consumer preferences for beverages evolve, the Company plans to further strengthen its focus on the emerging retail market and develop a range of organic, healthy, nutritious, and delicious ready-to-drink products. At the same time, the Company will further optimize product structure based on existing product lines, enabling the products to be widely used in the food industry, catering channels, everyday life, entertainment, and other applicable scenarios. By capturing consumer trends, and steadily improving brand

awareness and influence, the Company aims to become a leading brand in the beverages supply chain.

To all shareholders

in good health and good business

Sunjuice Holdings Co., Ltd.

Chairman: Huang, Kuo-Huang

General Manager: Wu, Ming-Hsian

## Attachment II

# Audit Committee Review Report

The board of directors has prepared the 2023 Business Report, consolidated financial statements and earnings distribution. The consolidated financial statements were audited by CPA Steven Hsieh and CPA Ian Huang from Deloitte Taiwan and an independent audit report has been issued accordingly. No nonconformities were detected in audits of the aforementioned Business Report, Consolidated Financial Statement, and Earnings Distribution Proposal by the Audit Committee. This report is respectfully submitted for review and approval pursuant to the provisions set forth in Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Sincerely

2024 General Shareholders' Meeting

Convener of Audit Committee: (signature)

March 8, 2024

## Attachment III

### Sunjuice Holdings Co., Ltd. Comparison table for the revision of the Company's "Procedure for Board of Directors' Meetings"

Amended provisions	Current provisions	Description
Article 8 Paragraph 4 If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting <u>on the day</u> , provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair may reconvene the meeting in accordance with the procedures specified in Article 3, Paragraph 2.	Article 8 Paragraph 4 If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair may reconvene the meeting in accordance with the procedures specified in Article 3, Paragraph 2.	Amended in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies"
Article 11 <u>Paragraph 4</u> <u>Article 7 Paragraph 3 shall apply to the appointment of proxies of the chair who is unable to preside over the meeting or meeting is adjourned without complying with the provisions of Paragraph 2 when board meetings are in progress.</u>	Article 11 <u>Addition</u>	

## **Attachment IV**

### **INDEPENDENT AUDITORS' REPORT**

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

#### **Opinion**

We have audited the accompanying consolidated financial statements of Sunjuice Holdings Co., Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, 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 material accounting policy information (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, 2023 and 2022, 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 audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. 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 matter identified in the Group's consolidated financial statements for the year ended December 31, 2023 is described as follows:

### Revenue Recognition

In consideration of the materiality, auditing standards and recognition of sales revenue, which includes a presumption of significant risk, we identified the occurrence of sales revenue from specific customers as a key audit matter. Refer to Note 4(k) for the related accounting policies.

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

1. We understood and tested the design and operating effectiveness of the key controls.
2. We sampled the details of sales revenue derived from specific customers, obtained delivery acceptance receipt signings and related information, and payment records to verify the validity of the revenue recognition.

### **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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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, 2023 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 audits resulting in this independent auditors' report are Ming-Chung Hsieh and Yi-Min Huang.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 8, 2024

#### Notice to Readers

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

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



# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023		2022	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 1,488,281	30	\$ 1,156,885	25
Financial assets at amortized cost - current (Notes 7, 24 and 26)	261,635	5	329,894	7
Trade receivables (Notes 8, 17 and 25)	358,202	7	354,027	8
Other receivables	24,016	1	28,178	1
Current tax assets (Note 19)	-	-	11	-
Inventories (Note 9)	480,385	10	459,196	10
Prepayments	39,951	1	104,159	2
Other current assets	2,668	-	22,898	-
Total current assets	<u>2,655,138</u>	<u>54</u>	<u>2,455,248</u>	<u>53</u>
NON-CURRENT ASSETS				
Financial assets at amortized cost - non-current (Notes 7 and 24)	216,350	4	-	-
Property, plant and equipment (Note 11)	1,789,103	37	1,905,660	41
Right-of-use assets (Note 12)	162,397	3	132,826	3
Other intangible assets	27,758	1	38,442	1
Deferred income tax assets (Note 19)	36,652	1	34,189	-
Prepayments of equipment	13,468	-	93,633	2
Refundable deposits	5,304	-	13,083	-
Total non-current assets	<u>2,251,032</u>	<u>46</u>	<u>2,217,833</u>	<u>47</u>
TOTAL	<u>\$ 4,906,170</u>	<u>100</u>	<u>\$ 4,673,081</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 13)	\$ 43,270	1	\$ -	-
Contract liabilities - current (Note 17)	73,951	2	72,001	2
Trade payables (Note 14)	212,463	4	188,562	4
Other payables (Note 15)	201,654	4	228,603	5
Current tax liabilities (Note 19)	1,741	-	15,665	-
Lease liabilities - current (Note 12)	4,049	-	4,099	-
Deferred revenue (Note 21)	1,623	-	299	-
Other current liabilities	1,187	-	322	-
Total current liabilities	<u>539,938</u>	<u>11</u>	<u>509,551</u>	<u>11</u>
NON-CURRENT LIABILITIES				
Deferred income tax liabilities (Note 19)	36,635	1	19,443	1
Lease liabilities - non-current (Note 12)	9,112	-	13,402	-
Deferred revenue - non-current (Notes 15 and 21)	22,744	1	12,413	-
Guarantee deposits received (Note 15)	17,403	-	18,222	-
Total non-current liabilities	<u>85,894</u>	<u>2</u>	<u>63,480</u>	<u>1</u>
Total liabilities	<u>625,832</u>	<u>13</u>	<u>573,031</u>	<u>12</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 16)				
Share capital				
Ordinary shares	<u>338,422</u>	<u>7</u>	<u>338,422</u>	<u>7</u>
Capital surplus				
Capital surplus	<u>1,145,562</u>	<u>23</u>	<u>1,145,562</u>	<u>25</u>
Retained earnings				
Reserve	430,628	9	390,318	8
Special reserve	71,140	1	119,809	3
Unappropriated earnings	<u>1,939,656</u>	<u>40</u>	<u>1,731,356</u>	<u>37</u>
Total retained earnings	<u>2,441,424</u>	<u>50</u>	<u>2,241,483</u>	<u>48</u>
Other equity				
Exchange differences arising on translation of foreign operations	<u>(141,712)</u>	<u>(3)</u>	<u>(71,140)</u>	<u>(2)</u>
Total equity attributable to owners of the Company	<u>3,783,696</u>	<u>77</u>	<u>3,654,327</u>	<u>78</u>
NON-CONTROLLING INTERESTS (Note 16)	<u>496,642</u>	<u>10</u>	<u>445,723</u>	<u>10</u>
Total equity	<u>4,280,338</u>	<u>87</u>	<u>4,100,050</u>	<u>88</u>
TOTAL	<u>\$ 4,906,170</u>	<u>100</u>	<u>\$ 4,673,081</u>	<u>100</u>

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

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 17, 25 and 32)				
Sales	\$ 4,754,280	103	\$ 4,206,922	102
Sales returns	(115,294)	(3)	(98,411)	(2)
Sales allowance	<u>(7,020)</u>	<u>-</u>	<u>(7,118)</u>	<u>-</u>
Total operating revenues	4,631,966	100	4,101,393	100
OPERATING COSTS (Notes 9 and 18)	<u>(3,328,805)</u>	<u>(72)</u>	<u>(2,931,835)</u>	<u>(71)</u>
GROSS PROFIT	<u>1,303,161</u>	<u>28</u>	<u>1,169,558</u>	<u>29</u>
OPERATING EXPENSES (Notes 8 and 18)				
Selling and marketing expenses	(286,875)	(6)	(260,056)	(6)
General and administrative expenses	(403,452)	(9)	(287,886)	(7)
Research and development expenses	(52,002)	(1)	(60,719)	(2)
Expected credit gain (loss)	<u>5,583</u>	<u>-</u>	<u>(7,405)</u>	<u>-</u>
Total operating expenses	<u>(736,746)</u>	<u>(16)</u>	<u>(616,066)</u>	<u>(15)</u>
PROFIT FROM OPERATIONS	<u>566,415</u>	<u>12</u>	<u>553,492</u>	<u>14</u>
NON-OPERATING INCOME AND EXPENSES (Note 18)				
Interest income	52,853	1	35,951	1
Other income	28,302	1	35,976	1
Other gains and losses	3,413	-	5,987	-
Finance costs	<u>(1,524)</u>	<u>-</u>	<u>(1,332)</u>	<u>-</u>
Total non-operating income and expenses	<u>83,044</u>	<u>2</u>	<u>76,582</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	649,459	14	630,074	16
INCOME TAX EXPENSE (Notes 4 and 19)	<u>(169,728)</u>	<u>(3)</u>	<u>(165,382)</u>	<u>(4)</u>
NET PROFIT FOR THE YEAR	479,731	11	464,692	12
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Exchange differences on translation to the presentation currency	<u>(79,469)</u>	<u>(2)</u>	<u>54,121</u>	<u>1</u>

(Continued)

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 400,262</u>	<u>9</u>	<u>\$ 518,813</u>	<u>13</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 419,915	9	\$ 403,294	10
Non-controlling interests	<u>59,816</u>	<u>1</u>	<u>61,398</u>	<u>1</u>
	<u>\$ 479,731</u>	<u>10</u>	<u>\$ 464,692</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 349,343	8	\$ 451,962	11
Non-controlling interests	<u>50,919</u>	<u>1</u>	<u>66,851</u>	<u>2</u>
	<u>\$ 400,262</u>	<u>9</u>	<u>\$ 518,813</u>	<u>13</u>
EARNINGS PER SHARE (Note 20)				
Basic	<u>\$ 12.41</u>		<u>\$ 11.92</u>	
Diluted	<u>\$ 12.40</u>		<u>\$ 11.91</u>	

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

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	Equity Attributable to the Owners of the Company								Non-controlling Interests	Total Equity
	Number of Shares (In Thousands)	Share Capital	Capital Surplus	Retained Earnings			Other Equity Exchange Differences on Translation of Foreign Operations	Total		
				Reserve	Special Reserve	Unappropriated Earnings				
BALANCE AT JANUARY 1, 2022	33,842	\$ 338,422	\$ 1,145,562	\$ 319,447	\$ 100,235	\$ 1,858,653	\$ (119,808)	\$ 3,642,511	\$ 378,674	\$ 4,021,185
Appropriation of 2021 earnings										
Reserve	-	-	-	70,871	-	(70,871)	-	-	-	-
Special reserve	-	-	-	-	19,574	(19,574)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(439,948)	-	(439,948)	-	(439,948)
Net profit for the year ended December 31, 2022	-	-	-	-	-	403,294	-	403,294	61,398	464,692
Other comprehensive income for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	48,668	48,668	5,453	54,121
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	-	403,294	48,668	451,962	66,851	518,813
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	-	(198)	-	(198)	198	-
BALANCE AT DECEMBER 31, 2022	33,842	338,422	1,145,562	390,318	119,809	1,731,356	(71,140)	3,654,327	445,723	4,100,050
Appropriation of 2022 earnings										
Reserve	-	-	-	40,310	-	(40,310)	-	-	-	-
Special reserve	-	-	-	-	(48,669)	48,669	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(219,974)	-	(219,974)	-	(219,974)
Net profit for the year ended December 31, 2023	-	-	-	-	-	419,915	-	419,915	59,816	479,731
Other comprehensive loss for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	(70,572)	(70,572)	(8,897)	(79,469)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	419,915	(70,572)	349,343	50,919	400,262
BALANCE AT DECEMBER 31, 2023	33,842	\$ 338,422	\$ 1,145,562	\$ 430,628	\$ 71,140	\$ 1,939,656	\$ (141,712)	\$ 3,783,696	\$ 496,642	\$ 4,280,338

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

**SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**  
**(In Thousands of New Taiwan Dollars)**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 649,459	\$ 630,074
Adjustments for:		
Depreciation expenses	253,683	214,647
Amortization expenses	6,483	6,172
Expected credit loss (reversed) recognized on trade receivables	(5,583)	7,405
Finance costs	1,524	1,332
Interest income	(52,853)	(35,951)
Loss on disposal of property, plant and equipment	3,318	3,763
Impairment loss recognized on intangible assets	8,189	-
Write-down of inventories	12,657	356
Government grants	(1,110)	(300)
Changes in operating assets and liabilities		
Notes receivable	-	2,949
Trade receivables	1,465	(84,365)
Other receivables	(153)	(4,815)
Inventories	(33,414)	(8,353)
Prepayments	67,680	(51,731)
Other current assets	20,230	(22,557)
Contract liabilities	1,950	(56,078)
Trade payables	23,901	9,055
Other payables	3,427	(39,665)
Deferred revenue	13,133	-
Other current liabilities	865	200
Cash generated from operations	974,851	572,138
Interest paid	(1,494)	(1,436)
Income taxes paid	(168,836)	(254,076)
Net cash generated from operating activities	804,521	316,626
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at amortized cost	(483,499)	(743,609)
Proceeds from sale of financial assets at amortized cost	327,543	766,069
Payments for property, plant and equipment	(110,904)	(294,769)
Proceeds from disposal of property, plant and equipment	1,167	6,047
Increase in refundable deposits	(1,053)	(9,403)
Decrease in refundable deposits	8,680	5,256
Payments for intangible assets	(3,488)	(4,955)
Payments for right-of-use assets	(40,426)	-
Increase in prepayments for equipment	(11,457)	(38,936)
Interest received	57,168	25,022
Net cash used in investing activities	(256,269)	(289,278)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		

(Continued)

# SUNJUICE HOLDINGS CO., LIMITED AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
Proceeds from short-term borrowings	44,310	86,061
Repayments of short-term borrowings	-	(172,122)
Proceeds from guarantee deposits received	3,344	1,167
Refund of guarantee deposits received	(3,834)	(3,624)
Repayment of the principal portion of lease liabilities	(4,084)	(3,288)
Dividends paid to owners of the Company	<u>(219,974)</u>	<u>(439,948)</u>
Net cash used in financing activities	<u>(180,238)</u>	<u>(531,754)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(36,618)</u>	<u>20,350</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	331,396	(484,056)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,156,885</u>	<u>1,640,941</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,488,281</u>	<u>\$ 1,156,885</u>

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

## Attachment V

### Sunjuice Holdings Co., Ltd.

#### Table of 2023 Earnings Distribution

unit: NTD

Items	Total
Beginning Period Undistributed Retained Earnings	1,519,740,757
adopting TIFRS adjustment	
initial account of special reserve with TIFRS	
adjusted Beginning Period Undistributed Retained Earnings	1,519,740,757
initial account of special reserve with TIFRS reversal	
Disposal (or cancelled) of treasury stock debit retained earnings	
long term equity investment adjusted retained earnings	
Actuarial gains (losses) through retained earnings	
adjusted undistributed retained earnings	1,519,740,757
Net profit this period	419,914,505
account legal reserve (10%)	0
account special reserve in accordance to law	70,571,947
account special reserve in accordance to law reversal	
self-accounted special reserve	
self-accounted special reserve reversal	
Distributable Retained Earnings this period	1,869,083,315
Distributed Items	
Stock Dividends	0
Cash Dividends	223,358,256
End of Period Undistributed Retained Earnings	1,645,725,059

Chairman: HUANG, KUO-HUANG

General Manager: WU, MING-HSIAN

Finance Officer: CHEN, YI-JU

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

Note 2: Cash dividends at NT\$6.6 per share will be distributed after the approval by the General Shareholders' Meeting and the decision on base date for dividends by the board of directors under authorization.

## Attachment VI

### Sunjuice Holdings Co., Ltd. Comparison Table of Amendments to "Management Procedures for Loaning Funds to Others"

Scope of application:

■Sunjuice Holdings Co., Ltd. ■Power Keen ■Sunjuice(HK) ■Sunjuice Co., Ltd.  
■Sunjuice Industry (Tian Jin) Co., Ltd. ■Guangdong Fresh Juice Biotechnology Co., Ltd. ■Shanghai Sense Beverage Company Limited

Amended provisions	Current provisions	Description
<p>Article 6</p> <p>Paragraph 1</p> <p>The total amount of loans provided by the Company to others shall not exceed 40% of the <u>net worth of the Company</u>.</p> <p>The total amount of loans to others for the need of short-term financing between companies or inter-firms shall also not exceed 40% of the net worth of <u>the Company</u>.</p> <p>Paragraph 3</p> <p>For companies or firms in need of short-term financing, the individual loan amount shall not exceed 40% of the net worth of <u>the Company</u>. The term "financing amount" as used means the cumulative balance of the Company's short-term financing.</p> <p>Paragraph 4</p> <p>The restriction in Paragraph 1,</p>	<p>Article 6</p> <p>Paragraph 1</p> <p>The total amount of loans provided by the Company to others shall not exceed 40% of the <u>net worth of the parent Company (Sunjuice Holdings)</u>.</p> <p>The total amount of loans to others for the need of short-term financing between companies or inter-firms shall also not exceed 40% of the net worth of <u>the parent Company (Sunjuice Holdings)</u>.</p> <p>Paragraph 3</p> <p>For companies or firms in need of short-term financing, the individual loan amount shall not exceed 40% of the net worth of <u>the parent Company (Sunjuice Holdings)</u>. The term "financing amount" as used means the cumulative balance of the Company's short-term financing.</p> <p>Paragraph 4</p> <p>The restriction in Paragraph 1,</p>	<p>Amended in accordance with the actual operating situation and the "Questions and Answers for the Lending of Funds and Endorsements and Guarantees by Public Companies".</p>



Amended provisions	Current provisions	Description
<p>Sub-paragraph 3 shall not apply to inter-company loans of funds between companies in which the parent company (Sunjuice Holdings) holds, directly or indirectly, 100% of the voting shares of the Company, nor to loans of fund to the Company by the parent company (Sunjuice Holdings) in which the Company holds, directly or indirectly, 100% of the voting shares. However, based on the needs of corporate governance, the total amount of funds loaned and the limit of each individual item shall not exceed 150% of the owner's equity in the consolidated balance sheet of <u>the Company</u>, and the period of loaning of funds in Article 7, Paragraph 1 shall apply.</p>	<p>Sub-paragraph 3 shall not apply to inter-company loans of funds between companies in which the parent company (Sunjuice Holdings) holds, directly or indirectly, 100% of the voting shares of the Company, nor to loans of fund to the Company by the parent company (Sunjuice Holdings) in which the Company holds, directly or indirectly, 100% of the voting shares. However, based on the needs of corporate governance, the total amount of funds loaned and the limit of each individual item shall not exceed 150% of the owner's equity in the consolidated balance sheet of <u>the parent Company (Sunjuice Holdings)</u>, and the period of loaning of funds in Article 7, Paragraph 1 shall apply.</p>	

## Attachment VII

### Sunjuice Holdings Co., Ltd.

#### Comparison table for the revision of the “Procedures for Acquisition or Disposal of Assets”

##### Scope of application:

■Sunjuice Holdings Co., Ltd. ■Sunjuice Industry (Tian Jin) Co., Ltd.  
■Sunjuice Co., Ltd. ■Guangdong Fresh Juice Biotechnology Co., Ltd.  
■Shanghai Sense Beverage Company Limited

Amended provisions	Current provisions	Description
<p>Article 4, Paragraph 2</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the <u>self-discipline regulations of each industry association to which they belong</u> and the following matters:</p> <p>I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>II. When <u>executing</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working</p>	<p>Article 4, Paragraph 2</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>II. When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data</p>	<p>Partially amended to accommodate the Regulations Governing the Acquisition or Disposal of Assets by Public Companies</p>

Amended provisions	Current provisions	Description
<p>procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>III. They shall undertake an item-by-item evaluation of the <u>suitability</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>suitable</u>, and that they have complied with applicable laws and regulations.</p>	<p>collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>III. They shall undertake an item-by-item evaluation of the <u>comprehensiveness</u>, <u>accuracy</u>, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>reasonable and accurate</u>, and that they have complied with applicable laws and regulations.</p>	
<p>Article 4, Paragraph 3</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction</p>	<p>Article 4, Paragraph 3</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction</p>	

Amended provisions	Current provisions	Description
amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:	amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and</u> render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:	
Article 4, Paragraph 5 3、 <u>Where the Company or the Company's subsidiary that is not a domestic public company engages in the transaction as described in the first paragraph and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information listed in the first paragraph to the shareholders' meeting for approval prior to entering into a transaction contract and paying the amount. This requirement does not</u>	Article 4, Paragraph 5 <u>Addition</u>	

Amended provisions	Current provisions	Description
<u>apply to transactions between the Company and its subsidiary, or between its subsidiaries.</u>		
Article 4, Paragraph 6 2. Except for transactions with Taiwan government institutions, if the Company's acquisition or disposal of intangible assets or its right-of-use assets reaches 20% of the Company's paid-in capital or NTD 300 million, opinions in respect of a rational transaction price shall be sought from certified public accountant prior to the Date of the Event.	Article 4, Paragraph 6 2. Except for transactions with Taiwan government institutions, if the Company's acquisition or disposal of intangible assets or its right-of-use assets reaches 20% of the Company's paid-in capital or NTD 300 million, opinions in respect of a rational transaction price shall be sought from certified public accountant prior to the Date of the Event. <u>Certified public accountant shall handle the matter in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF).</u>	

## Appendix I

**THE COMPANIES ACT (AS AMENDED)**  
**COMPANY LIMITED BY SHARES**  
**AMENDED AND RESTATED**  
**MEMORANDUM & ARTICLES**  
**OF**  
**ASSOCIATION**  
**OF**  
**SUNJUICE HOLDINGS CO., LIMITED**  
**(AMENDED BY SPECIAL RESOLUTION PASSED ON MAY 26, 2023)**

**THE COMPANIES ACT (AS AMENDED)**

**COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED**

**MEMORANDUM OF ASSOCIATION**

**OF**

**SUNJUICE HOLDINGS CO., LIMITED**

**(Amended by Special Resolution Passed on MAY 26, 2023)**

1. The name of the Company is Sunjuice Holdings Co., Limited (the "Company").
2. The Registered Office of the Company will be situated at the offices of Suite 102, Cannon Place, P.O. Box 712, North Sound Rd; Grand Cayman, KY1-9006, Cayman Islands or at such other location as the Directors may from time to time determine.
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any act as provided by Section 7(4) of the Companies Act (as amended).
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 27(2) of the Companies Act (as amended).
5. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks & Trust Companies Act (as amended), or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Act (as amended), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Act (as amended).
6. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands. provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
7. The liability of the members is limited to the amount, if any, unpaid on the shares respectively held by them.
8. The capital of the Company is NT\$600,000,000 divided into 60,000,000 shares of a nominal or par value of NT\$10.00 each provided always that subject to the provisions of the Companies Act (as amended) and the Articles of Association the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.
9. The Company may exercise the power contained in Section 206 of the Companies Act (as amended) to deregister in the Cayman Islands and be registered by way of continuation in some other jurisdiction.

# **THE COMPANIES ACT (AS AMENDED)**

## **COMPANY LIMITED BY SHARES**

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

OF

### **SUNJUICE HOLDINGS CO., LIMITED**

**(Amended by Special Resolution Passed on MAY 26, 2023)**

#### **TABLE A**

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

#### **INTERPRETATION**

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

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

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

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

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

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

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

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

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

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

"**Depository**" means Taiwan Depository & Clearing Corporation;

"**Directors**" and "**Board of Directors**" and "**Board**" means the directors of the Company for the time being,



or as the case may be the Directors assembled as a Board or as a committee thereof;

**"Director and Officer Insurance"** has the meaning given thereto in Article 148;

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

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

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

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

**"Indemnified Person"** has the meaning given thereto in Article 147;

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

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

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

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

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

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

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

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

**"preferred Shares"** has the meaning given thereto in Article 8;

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

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

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

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

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

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

**"Share Premium Account"** means the share premium account established in accordance with these Articles,

the Act and the Applicable Listing Rules;

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

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

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

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

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

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

"**TSE**" means the Taiwan Stock Exchange.

2. In these Articles, save where the context requires otherwise;
  - (a) words importing the singular number shall include the plural number and vice versa;
  - (b) words importing the masculine gender only shall include the feminine gender;
  - (c) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not;
  - (d) "**may**" shall be construed as permissive and "**shall**" shall be construed as imperative;
  - (e) references to a "**dollar**" or "**dollars**" or \$ is a reference to dollars of the United States; and
  - (f) references to a statutory enactment shall include reference to any amendment or re-enactment thereof for the time being in force.
3. Subject to the last two preceding Articles, any words defined in the Companies Act or the Applicable Listing Rules shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

#### PRELIMINARY

4. (A) The business of the Company may be commenced as soon after incorporation.  
(B) When conducting its business, the Company will comply with the acts and regulations as well as business ethics and may take actions which will promote public interests in order to fulfill its social responsibilities.
5. The Office shall be at such address in the Cayman Islands as the Directors shall from time to time determine. The Company may in addition establish and maintain such other offices and places of business and agencies in such places as the Directors may from time to time determine.

## SHARES

6. Subject as otherwise provided in these Articles, all Shares for the time being and from time to time unissued shall be under the control of the Directors, and may be re-designated, allotted or disposed of in such manner, to such persons and on such terms as the Directors in their absolute discretion may think fit.
- 6-1. (A) The Company shall not issue bearer shares.
  - (B) The Company choosing to issue no par value shares shall not convert its shares into par value shares.
7. Unless otherwise provided in these Articles, the Directors may authorize the division of Shares into any number of Classes and the different Classes shall be authorized, established and designated (or re-designated as the case may be) and the variations in the relative rights (including, without limitation, voting, dividend and redemption rights), restrictions, preferences, privileges and payment obligations as between the different Classes (if any) shall be fixed and determined by the Directors.
8. The Company may issue Shares with rights which are preferential to those of ordinary Shares issued by the Company ("preferred Shares") with the approval of a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors. Prior to the issuance of any preferred Shares approved pursuant to this Article, this Memorandum of Association and these Articles shall be amended to set forth the rights and obligations of the preferred Shares, including but not limited to the following terms, and the same shall apply to any variation of rights of preferred Shares:
  - (a) the total number of the issued preferred Shares and the total number of the preferred Shares the Company is authorized to issue;
  - (b) order, fixed amount or fixed ratio of allocation of dividends and bonus on preferred Shares;
  - (c) order, fixed amount or fixed ratio of allocation of surplus assets of the Company;
  - (d) order of or restriction on the voting right(s) (including declaring no voting rights whatsoever) of preferred Members;
  - (e) the conditions, deadline of redemption or repurchase, and the type and the amount of payment for redemption or repurchase made by the Company;
  - (f) other matters concerning rights and obligations incidental to preferred Shares; and
  - (g) the method by which the Company is authorized or compelled to redeem the preferred Shares, or a statement that redemption rights shall not apply.
9. The issue of new Shares of the Company shall be approved by a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors. The issue of new Shares shall at all times be subject to the sufficiency of the authorized capital of the Company. The Company may not issue Share certificates to Members in respect of any Shares. However, for as long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, the Company shall not issue Share certificates and upon each issuance of new Shares, the Company shall within 30 days from the completion date of issuance of such Shares cause its Members' Service Agent to enter the name of the Member in the Register and to effect the book-entry transfer in the Member's account with the Depository. The Company shall make a public announcement in accordance with the Applicable Listing Rules prior to the book-entry transfer.
10. The Company shall not issue any unpaid Shares or partly paid-up Shares. The Company shall not issue Shares in bearer form.
11. Upon each issuance of new Shares, the Directors may reserve a specified percentage of the new Shares for subscription by the employees of the Company who are determined by the Board in its reasonable discretion.
12. For so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, unless otherwise resolved by the Members in general meeting by Ordinary Resolution, if at any time the Board resolves to issue any new Share, the Company shall, after reserving the portion of Shares for

subscription by its employees and for public offering in Taiwan pursuant to Article 11 and Article 14 respectively, advise each then Member by a public announcement and by a written notice to subscribe for the remaining new Shares with preemptive right, in proportion respectively to their original shareholding. Except for the payment period for subscription of new shares stated in the notice is not less than one month, if the then Member delays payment for shares, the Company shall fix a period of not less than one month and call upon such subscribers to pay up, declaring that in case of default of payment within the stipulated period their right shall be forfeited. After the Company has made the aforesaid call, the subscribers who fail to pay accordingly shall forfeit their rights and the shares subscribed to by them shall be otherwise sold. Under the aforesaid circumstances, compensation for loss or damage, if any, may still be claimed against such defaulting subscribers. Where a fractional percentage of the original Shares being held by a Member is insufficient to subscribe for one new Share, the fractional percentages of the original Shares being held by several Members may be combined for joint subscription of one or more integral new Shares or for subscription of new Shares in the name of a single Member. New shares left unsubscribed by such Members may be open for public issuance or for subscription by specific person or persons through negotiation.

13. The Members' preemptive right prescribed under Article 12 shall not apply in the event that new Shares are issued due to the following reasons or for the following purpose:
  - (a) in connection with a Merger with another company, or the Spin-off of the Company, or pursuant to any reorganization of the Company;
  - (b) in connection with meeting the Company's obligation under Share subscription warrants and/or options;
  - (c) in connection with meeting the Company's obligation under corporate bonds which are convertible bonds or vested with rights to acquire Shares;
  - (d) in connection with meeting the Company's obligation under preferred Shares vested with rights to acquire Shares or with a redemption of Shares by the Company; or
  - (e) any other conditions excluded by the Applicable Listing Rules.
14. Where the Company increases its capital by issuing new Shares in Taiwan, the Company shall allocate 10 percent of the total amount of the new Shares to be issued, for offering in Taiwan to the public unless it is not necessary or appropriate, according to the Applicable Listing Rules, for the Company to conduct the aforementioned public offering. Provided however, if a percentage higher than the aforementioned 10 percent is resolved by a general meeting to be offered, the percentage determined by such resolution shall prevail.
- 14A. The Company may, with the sanction of a Special Resolution (Taiwan), carry out private placement of securities to the following persons in Taiwan :
  - (a) Banks, bills finance enterprises, trust enterprises, insurance enterprises, securities enterprises, or other juristic persons or institutions approved by the competent authority governing securities in Taiwan.
  - (b) Natural persons, juristic persons, or funds meeting the conditions prescribed by the competent authority governing securities in Taiwan.
  - (c) Directors and managerial officers of the Company or its Affiliated Companies.

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

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

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

### **VARIATION OF RIGHTS ATTACHING TO SHARES**

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

### **CERTIFICATES**

18. The Register of Members shall be *prima facie* evidence of the entitlement of a person to Shares recorded against his/her name. Subject to the approval of the Board and subject as otherwise provided in these Articles, Share certificates may be issued to a Member upon request. Every Share certificate shall be issued under the Seal or a facsimile thereof and shall specify the name of the Member, the number and class and distinguishing numbers (if any or if required by the Companies Act or Applicable Listing Rules) of the Shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. No certificate shall be issued representing Shares of more than one class nor will be issued in bearer form. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.

### **TRANSFER OF SHARES**

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

Article 37.

23. All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Directors decline to register shall (except in any case of fraud) be returned to the person depositing the same.

### **TRANSMISSION OF SHARES**

24. The legal personal representative of a deceased sole holder of a Share shall be the only person recognised by the Company as having any title to the Share. In the case of a Share registered in the name of two or more holders, the survivors or survivor, or the legal personal representatives of the deceased survivor, shall be the only person recognised by the Company as having any title to the Share.
25. Any person becoming entitled to a Share in consequence of the death or bankruptcy of a Member shall upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Member in respect of the Share or, instead of being registered himself/herself, to make such transfer of the Share as the deceased or bankrupt person could have made. In case the aforementioned person decides to be registered as a Member, he/she shall deliver or send a notice in writing to the Company, on which the signature shall be made and his/her decision shall also be stipulated. But the Directors shall, in either case have the right to decline or suspend registration in accordance with Article 21.
26. A person becoming entitled to a Share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he/she would be entitled if he/she were the registered holder of the Share, except that he/she shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

### **ALTERATION OF CAPITAL**

27. The Company may from time to time by Special Resolution (Taiwan) increase the authorized share capital by such sum, to be divided into Shares of such classes and amount, as the resolution shall prescribe.
28. (A) The Company may by Special Resolution reduce its capital and any capital redemption reserve in any manner authorized by the Companies Act or Applicable Listing Rules. Subject to the Companies Act or the Applicable Listing Rules, capital shall be reduced pro rata in accordance with each Member's shareholding percentage.
- (B) The Company may reduce its share capital by using property, in addition to cash, to return capital contributions; the returned property and the offsetable amount for the returned property shall be decided by Ordinary Resolution, and approved by the Member(s) receiving such property.
- (C) During the period when the Shares are traded on the Emerging Market, GreTia Securities Market, or TSE, the Board shall have the value of the returned property and the offsetable amount referred to in the preceding paragraph audited and certified by a certified public accountant in Taiwan prior to the general meeting.

### **REDEMPTION AND PURCHASE OF OWN SHARES**

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

the Directors present at a Board meeting attended by two-thirds or more of Directors, the Company may repurchase its own Shares at the GreTai Securities Market or at TSE (the "Treasury Shares").

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

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

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

32. The transfer of Treasury Shares to the employees at the price less than the average price at which Treasury Shares were previously purchased by the Company shall be approved by the Special Resolution (Taiwan) of the Company at an upcoming general meeting prior to the transfer, and the following matters shall be specified and described in the notice of a general meeting, and shall not be proposed as *ad hoc* motions:

(a) Transferring price, the discount rate, calculation basis and rationality.

(b) The numbers of Treasury Shares to be transferred, purpose and rationality.

(c) The qualification of the employees who are eligible to subscribe for the Shares and the numbers of the Shares for employees' subscription.

(d) The matters which may affect Members' interests:

甲、the amounts which may be recognized as expenses and dilution of earnings per Share.

乙、the description of the Company's financial burden arising from the transfer of Treasury Shares transferred to employees at a price less than the average price at which Treasury Shares were previously purchased by the Company.

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

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

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

33. The Directors or managerial officers of the Company, or their spouse, minor children, or any other persons who hold the Shares for the benefit of the Directors, officers, their spouses or minor children, shall not sell or otherwise transfer their Shares during the period when the Company is repurchasing its own Shares.

34. The resolution for the redemption or repurchase of the Shares by the Company and the implementation thereof shall be reported at an upcoming general meeting no matter whether the Company redeems or repurchases the Shares so resolved.

35. The redemption or repurchase of any Share shall not be deemed to give rise to the redemption or purchase

of any other Share.

36. Subject to the Act and the Applicable Listing Rules, the Directors may when making payments in respect of redemption or repurchase of Shares, if authorised by the terms of issue of the Shares being redeemed or repurchased or with the agreement of the holder of such Shares, make such payment either in cash or in specie.

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

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

#### **GENERAL MEETINGS**

39. All general meetings other than annual general meetings shall be called extraordinary general meetings.
40. The Directors may, whenever they think fit, convene a general meeting of the Company; provided that the Shares are registered in the Emerging Market or listed in the GreTai Securities Market or TSE, the Company shall in each year hold a general meeting as its annual general meeting at least once, and such annual general meeting shall be held within 6 months after close of each fiscal year and shall specify the meeting as such in the notices calling it.
41. At these meetings the report of the Board shall be presented. For so long as the Shares are registered in the Emerging Market or listed in the GreTai Securities Market or TSE, all general meetings shall be held at such time and place as may be determined by the Board in Taiwan. If the Directors resolve to hold a general meeting outside Taiwan, the Company shall apply for the approval of the GreTai Securities Market (or the TSE, if applicable) thereof within 2 days after the Board of Directors adopts such resolution or after the approval of relevant authorities for Members to convene the general meeting. Where a general meeting is to be held outside Taiwan, the Company shall engage a Members' Services Agent to handle the administration of Member voting matters for such general meeting.
- 41-1 (A) The general meeting of the Company can be held by means of visual communication network or other methods promulgated by the competent authority under Company Act of the Republic of China. In the case of natural disasters, incidents or other force majeure events, the Company may, in accordance with the promulgation by the competent authority under the Company Act of the Republic of China, without first being specified in its Memorandum and Articles of Association, hold the general meeting with visual communication network or other methods promulgated by the competent authority during a certain period.
- (B) In case the general meeting is proceeded via visual communication network, the Member(s) taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.



(C)The Applicable Listing Rules shall govern the relevant conditions, process and other regulations that the Company shall abide by with regard to the general meeting proceeded via visual communication network.

42. General meetings shall also be convened on the written requisition of any Member or Members entitled to attend and vote at general meetings of the Company who hold not less than 3 percent of the paid up voting Share capital of the Company for a period of one year or a longer time deposited at the Office or the Members' Service Agent specifying the objects of the meeting and requesting the Board to convene the general meeting, and if the Directors do not convene such meeting within 15 days after the date of such deposit, the requisitionists themselves may convene an extraordinary general meeting in accordance with the Applicable Listing Rules and may determine such time and place of the extraordinary general meeting he/she thinks fit by sending out a notice of general meeting in accordance with these Articles.
- 42-1. Shareholders continuously holding 50% or more of the total number of outstanding shares of the Company for a period of three months or a longer time may convene a special shareholders' meeting. The calculation of the holding period and holding number of shares shall be based on the holding at the time of share transfer suspension date.

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

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

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

44. The following matters shall be specified and described in the notice of a general meeting, and shall not be proposed as ad hoc motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the notice:

- (a) election or discharge of Directors;
- (b) amendments to these Articles;
- (c) reduction of capital;
- (d) application for the approval of ceasing its status as a public company;
- (e) dissolution, Merger or Spin-off, equity conversion of the Company;
- (f) entering into, amendment to, or termination of any contract for lease of its business in whole, or for entrusting business, or for regular joint operation with others;
- (g) the transfer of the whole or any material part of its business or assets;
- (h) taking over another's whole business or assets, which will have a material effect on the business operation of the Company;
- (i) carrying out private placement of its securities;
- (j) granting waiver to the Director's engaging in any business within the scope of business of the Company;
- (k) distributing part or all of its dividends or bonus by way of issuance of new Shares;
- (l) transfer of Treasury Shares pursuant to Article 32; and

- (m) capitalization of any amounts standing to the credit of the statutory reserve or the following Capital Reserves - Share Premium Account and/or income from endowments received by the Company, or making distributions out of the Statutory Reserve and the Share Premium Account to its Members in newly issued shares or cash.

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

- 45. For so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, the Company shall prepare a manual and related materials for each general meeting. Such manual and materials shall be published on the website designated by the Commission and the GreTai Securities Market or TSE pursuant to the Applicable Listing Rules at least 21 days prior to the date of the relevant annual general meeting or 15 days prior to the date of the relevant extraordinary general meeting. However, in the case that the Company with paid-in capital reaching NT\$10 billion or more as of the last day of the most recent fiscal year, or in which the aggregate shareholding percentage of foreign investors and Mainland Chinese investors reached 30% or more as recorded in the Register at the time of holding of the annual general meeting in the most recent fiscal year, it shall upload the aforesaid electronic file by 30 days prior to the day on which the annual general meeting is to be held.

#### **PROCEEDINGS AT GENERAL MEETINGS**

- 46. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as otherwise provided by these Articles, the holders of Shares being more than an aggregate of one-half of all Shares in issue present in person or by proxy and entitled to vote shall be a quorum for all purposes.
- 47. Member(s) holding one percent or more of the total number of issued Shares immediately prior to the relevant Register close period may propose in writing or in electronic means to the Company a proposal for discussion at a general meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. The following procedures shall apply for making such proposals:
  - (a) Prior to the date of the relevant Register of Members close period, the Company shall, in accordance with the Applicable Listing Rules, provide a public notice announcing the place and the period for Members to submit proposals to be discussed at the general meeting. The period for accepting such proposals shall be at least 10 days;
  - (b) The number of words of a proposal to be submitted by a Member shall be limited to not more than 300 words, and any proposal containing more than 300 words shall not be included in the agenda of the general meeting. The Member who has submitted a proposal shall attend, in person or by a proxy, the general meeting whereat his/her proposal is to be discussed and shall take part in the discussion of such proposal;
  - (c) Except for any of the following circumstances, the Directors of the Company shall include the proposal submitted by a Member in the list of proposals to be discussed at the general meeting:
    - i. Where the subject (the issue) of the said proposal cannot be settled or resolved by a resolution to be adopted at a general meeting;
    - ii. Where the number of Shares of the Company in the possession of the Member making the said proposal is less than one percent of the total number of issued Shares at the date of the relevant Register close period;
    - iii. Where the said proposal is submitted on a day beyond the deadline fixed and announced by the Company for accepting Members' proposals; or
    - iv. Where the said proposal containing more than 300 words or more than one matters in a single proposal.

- (d) The Company shall, prior to preparing and delivering the notice of the general meeting, inform in writing all the Members who have submitted proposals pursuant hereto about the proposal screening results, and shall list in the said notice the proposals conforming to the requirements as set out in this Article. With regard to the proposals submitted by Members but not included in the agenda of the general meeting, the cause of exclusion of such proposals and explanation shall be made by the Directors at the general meeting to be convened.
  - (e) A shareholder proposal proposed for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors.
48. The chairman, if any, of the Board of Directors shall preside as chairman at every general meeting of the Company convened by the Board of the Directors. For a general meeting convened by any other person having the convening right, such person shall act as the chairman of that meeting; provided that if there are two or more persons jointly having the convening right, the chairman of the meeting shall be elected from those persons.
49. If there is no such chairman, or if at any general meeting he/she is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, any Director nominated by the Directors shall preside as chairman, failing which the Members present shall choose any Person present to be chairman of that meeting.
50. The chairman may (and shall if so directed by the meeting) adjourn a meeting from time to time and from place to place by an Ordinary Resolution, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
51. At any general meeting a resolution put to the vote of the meeting shall be decided on a poll.
52. Unless otherwise expressly required by the Act, the Applicable Listing Rules or these Articles, any matter which has been presented for resolution, approval, confirmation or adoption by the Members at any general meeting may be passed by an Ordinary Resolution. All resolutions put to the vote of a meeting shall be decided by poll. No resolutions will be passed by written resolution of Members without a meeting.
53. In the case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote.
54. The Company shall by a Special Resolution (Taiwan):
- (a) enter into, amend, or terminate any contract for lease of its business in whole, or for entrusting business, or for regular joint operation with others;
  - (b) transfer the whole or any material part of its business or assets, provided that Paragraph 2 of this Article 54 shall apply;
  - (c) take over the transfer of another's whole business or assets, which will have a material effect on the business operation of the Company;
  - (d) effect any Spin-off, acquisition or share exchange of the Company, provided that Paragraph 2 of this Article 54 shall apply;
  - (e) carry out private placement of its securities;
  - (f) distribute part or all of its dividends or bonus by way of issuance of new Shares;
  - (g) grant waiver to a Director's engaging in any business within the scope of the Company's business; or
  - (h) issue restricted Shares to the employees.

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

55. The Company may, by a Special Resolution,

- (a) effect a Merger of the Company in accordance with the Applicable Listing Rules and the Act;
- (b) Amend these Articles and the Memorandum of Association;
- (c) change the name of the Company; and
- (d) reduce the capital and capital redemption reserve.

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

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

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

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

The Member filing a request under the preceding paragraph shall make it in writing within 20 days since the resolution of the general meeting was made and specify the price for buying back. In the event the price of the Shares repurchase is negotiated and agreed upon by and between the Company and the selling Member, the Company shall pay the repurchase price to such selling Member within 90 days upon the resolution date of the general meeting. If the Company and the selling Member fail to reach an agreement on the price of Shares repurchase, the Company shall pay the repurchase price that it determines as fair price to the Member who has not so agreed on the repurchase price. Company fails to so pay the repurchase price to the selling Member shall deemed that it has agreed upon the repurchase price specified by the selling Member.

In the event the Company and the selling Member who has voted against such matter during the meeting or expressed his objection and waived his voting right fail to reach an agreement on the price of Shares repurchase within 60 days upon the resolution date of the general meeting, the Company shall, within 30 days upon the lapse of such 60-day period, file a motion with the Taiwan Taipei District Court, in which all selling Members who disagree with the repurchase price are listed as respondents, to issue a ruling on the repurchase price.

The number of shares held by the selling Member who has waived his voting right shall not be counted toward the number of votes represented by the shareholders present at a shareholders meeting.

## VOTES OF MEMBERS

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

(B) In the event that a Member holds Share for others, such Member may separately exercise his vote in favour of or against the relevant resolution. The qualifications, scope, method of exercise, operating

procedure and other matters which shall be complied with shall be in accordance with the Applicable Listing Rules.

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

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

The Shares held by Members having no voting right shall not be counted in the total number of issued Shares while adopting a resolution at a general meeting, nor, for the avoidance of doubt, be counted in the quorum at the meeting.

59. In the case of joint holders, the joint holders shall select among them a representative for the exercise of their Member's rights and the vote of their representative who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the joint holders.

60. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote by his/her committee, or other person in the nature of a committee appointed by that court, and any such committee or other person may vote by proxy.

61. (A) Any Member who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a general meeting shall abstain from voting in respect of all the Shares that such Member should otherwise be entitled to vote and such Shares shall not be counted in the number of votes of Members present at the meeting. The aforementioned Member shall also not vote on behalf of any other Member.

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

62. The voting power exercising by way of electronic transmission shall be listed by the Company as one of the ways of exercising the voting power since 2016.

63. A Member who exercises his votes in writing or by way of electronic transmission as set forth in the preceding Article 62 shall be deemed to have appointed the chairman of the general meeting as his or her proxy to exercise his or her voting right at such general meeting in accordance with the instructions stipulated in the written or electronic document, but shall be deemed to have waived his votes in respective of any ad hoc motions and the amendments to the contents of the original proposals at such general meeting; provided, however, that such appointment shall be deemed not to constitute the appointment of a proxy for the purposes of the Applicable Listing Rules. The chairman, acting as proxy of a Member, shall not exercise the voting right of such Member in any way not stipulated in the written or electronic document.

64. A Member shall submit his or her vote by way of written ballot or electronic transmission pursuant to Article 62 to the Company no later than two (2) days prior to the scheduled meeting date of the general meeting; whereas if two (2) or more such written ballot or electronic transmission are submitted to the Company, the proxy deemed to be given to the chairman of the general meeting pursuant to Article 63 by the first written ballot or transmission shall prevail unless it is expressly included in the subsequent vote by written ballot or electronic transmission that the original vote submitted by written ballot or electronic transmission be revoked.

65. In case a Member who has submitted his votes by written ballot or electronic transmission intends to

attend the general meeting in person, he shall, at least two (2) day prior to the date of the meeting revoke such vote by written ballot or electronic transmission and such revocation shall constitute a revocation of the proxy deemed to be given to the chairman of the general meeting pursuant to Article 63. If a Member who has submitted his or her vote in writing or by way of electronic transmission pursuant to Article 62 does not submit such a revocation before the prescribed time, his or her vote by written ballot or electronic transmission and the proxy deemed to be given to the chairman of the general meeting pursuant to Article 63 shall prevail. If a Member has submitted his or her vote in writing or by way of electronic transmission pursuant to Article 62, and has subsequently submitted a proxy appointing a person as his or her proxy to attend the general meeting on his or her behalf, the subsequent appointment of that person as his or her proxy shall be deemed to be a revocation of such Member's deemed appointment of the chairman of the general meeting as his or her proxy pursuant to Article 63 and the vote casted by that person subsequently appointed as his or her proxy shall prevail.

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

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

#### **PROXY SOLICITATION**

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

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

68. The instrument appointing a proxy shall be in the form approved by the Company and be expressed to be for a particular meeting only. The proxy form shall include at least the following information: (a) instructions on how to complete such proxy, (b) the matters to be voted or executed upon pursuant to such proxy, and (c) basic identification information related to the Member, proxy solicitor/recipient and proxy solicitation agent (if any). The proxy form shall be provided to the Members together with the relevant written or electronic notice of the general meeting, and such written or electronic notice and proxy materials shall be distributed to all Members on the same day.
69. Except for trust enterprises or Members' Service Agencies approved by Taiwan competent authorities or as otherwise specified under these Articles, when a person who acts as the proxy for two or more Members, the number of votes represented by him/her shall not exceed 3 percent of the total number of votes of the Company and the portion of excessive votes represented by such proxy shall not be counted.
70. For so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, all matters concerning proxies and/or the solicitation of proxies by a solicitor relating to the Shares of the Company shall comply with all Applicable Listing Rules, whether or not expressly provided for in these Articles.

## CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

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

## DIRECTORS

72. The name of the first Director(s) shall either be determined in writing by a majority (or in the case of a sole subscriber that subscriber) of, or elected at a meeting of, the subscribers of the Memorandum of Association.

73. (A) Unless otherwise determined by the Company in general meeting, prior to the Shares of the Company are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, the number of Directors shall be no less than five Directors, and the exact number of Directors is to be determined from time to time solely by the Board. The professional qualifications, compositions, election and discharges of the Directors, the exercise of their powers, and other related matters shall comply with the Applicable Listing Rules.

(B) For so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, the Directors shall include such number of Independent Directors as applicable act, rules or regulations or the Applicable Listing Rules require for a foreign issuer. Where the Company is listed on the GreTai Securities Market or TSE, the Board shall have at least 2 Independent Directors and the number of Independent Directors shall not be less than 1/5 of the total number of Directors, of whom at least one Independent Director shall have domicile in Taiwan. The professional qualifications, compositions, elections and discharges of the Independent Directors, the exercise of their powers, and other related matters shall comply with the Applicable Listing Rules.

(C) Where the number of Independent Directors on the Board falls below the minimum number required by these Articles, the Company shall hold a by-election for Independent Directors at the next following general meeting. Where all of the Independent Directorships become vacant, within 60 days of the occurrence of such shortfall, an extraordinary general meeting of Members to elect succeeding Independent Directors to fill the vacancies shall be held.

(D) Any juristic person or corporation which is a Member, its authorized representative may also be elected as the Director in such representative personal capacity. If there are two or more authorized representatives, each of them may be so elected.

74. (A) The general meeting of the Members may appoint any natural or legal Person to be a Director; provided however that more than half of the Directors shall not, as among them, have spousal relationship or familial relationship within the second degree of kinship.

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

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

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

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

75. At a general meeting for election of Directors, the number of votes exercisable in respect of one Share shall be the same as the number of Directors to be elected, and the total number of votes per Share may be consolidated for election of one candidate or may be split for election of two or more candidates. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director so elected. The authorized representative of a Member may be elected as a Director, and if there is a plural number of such authorized representatives, each of them may be so elected.
76. The Directors may adopt a director candidate nomination mechanism which is in compliance with the Applicable Listing Rules, and establish rules and procedures related to such director candidate nomination mechanism in accordance with the Applicable Listing Rules. The election of directors and independent directors shall adopt the candidate nomination mechanism in accordance with the Applicable Listing Rules.
77. Subject to the provisions of these Articles, the term for which a Director will hold office shall not exceed 3 years; thereafter he/she may be eligible for re-election. In case no election of new Directors is effected after expiration of the term of office of the existing Directors, the term of office of such Directors shall be extended until the time new Directors are elected and assume their office.
78. (A) A Director may be discharged at any time by a Special Resolution (Taiwan). If a Director is discharged during the term of his/her office as a director without good cause, such Director may make a claim against the Company for any and all damages sustained by him/her as a result of such discharge.
- (B) If the general meeting held prior to the expiration of the term of the existing Directors decides that all Directors will be re-elected with effect immediately after the adoption of such resolution (the "Appointment"), unless otherwise resolved at such general meeting, the term of the existing Directors shall be deemed to have expired immediately prior to the Appointment. Such resolution made in the general meeting shall be attended by the Members who represent more than one-half of the total number of issued Shares.
79. The Board of Directors shall have a Chairman (the "Chairman") elected and appointed by a majority of the Directors present at the Board meeting the quorum of which shall be two-thirds of all of the Directors then in office. The period for which the Chairman will hold office will also be determined by a majority of the Directors present at the Board meeting with a quorum of at least two-thirds of all of the Directors then in office. The Chairman shall preside as chairman at every meeting of the Board, and shall represent the Company in all external affairs. However, in the first meeting of each term of the board of directors, it shall be convened by the director who received a ballot representing the largest number of votes at the shareholder meeting; the convener shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves. In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case there is no vice chairman, or the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the managing directors, or where there is no managing directors, one of the directors to act on his behalf. In the absence of such a designation, the managing directors or the directors shall elect from among themselves an acting chairman of the board of directors.
80. There shall be no shareholding qualification for Directors.

#### DIRECTORS' REMUNERATION AND EXPENSES

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



82. (Deleted)

## **PROXY OF DIRECTOR**

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

## **POWERS AND DUTIES OF DIRECTORS**

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

84A.(A) The Directors shall owe fiduciary duties to the Company and such fiduciary obligations shall include but not limited to the observance of general standards of loyalty, good faith, and the avoidance of a conflict of duty and self-interest. Subject to Cayman Islands act, (i) if the Director has acted contrary to this provision, he/she/it shall be liable for the damages incurred by the Company therefrom; and (ii) if the Director has acted for himself/herself/itself or for another person, the general meeting may, by an Ordinary Resolution, deem the earnings in such an act as earnings of the Company.

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

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

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

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

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

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

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

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

remuneration of any such persons.

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

### **BORROWING POWERS OF DIRECTORS**

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

### **THE SEAL**

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

### **DISQUALIFICATION OF DIRECTORS**

94. A person shall not be qualified to hold office as a Director if any of the situations set forth in (a) through (h) below applies to such Person. In addition, the office of Director shall be vacated, if Director:
- (a) committed a felony (including but not limited to the crimes stipulated in the R.O.C "Organized Crime Prevention Act") and has been adjudicated guilty by a final judgment, and has not started serving the sentence, has not completed serving the sentence, or 5 years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
  - (b) has been sentenced to imprisonment for a term of more than one year by a final judgment for commitment of fraud, breach of trust or misappropriation, and has not started serving the sentence, has not completed serving the sentence, or 2 years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
  - (c) has been adjudicated guilty by a final judgment for committing the offense as specified in the Anti-corruption Act, and has not started serving the sentence, has not completed serving the sentence, or 2 years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
  - (d) has been adjudicated to be bankrupt or has been adjudicated of the commencement of liquidation process by a court and has not been reinstated to his rights and privileges;
  - (e) has been dishonored for unlawful use of credit instruments, and the term of such sanction has not

expired yet;

(f) incapacity or partial incapacity;

(g) Has been adjudicated of the commencement of assistantship and such assistantship having not been revoked yet;

(h) resigns his/her office by notice in writing to the Company;

(i) is removed from office by Special Resolution (Taiwan).

94A. (A) A Director (not including the independent director) will be automatically discharged if, during his/her/its tenure, such Director transfers more than one half of the Shares held by him/her/it at the time of election; a Director will also be automatically discharged if the aggregated number of Shares transferred by such Director prior to and after the amendment of these Articles is more than one half of the Shares held by him/her/it at the time of election.

(B) If, after he/she/it is elected, a Director (not including the independent director) transfers more than one half of the Shares held by him/her at the time of election before he/she/it assumes office, or transfers more than one half of the total number of Shares held by him/her/it during the period prior to the general meeting where share transfer registration is suspended, the election of such Director shall become invalid.

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

## **PROCEEDINGS OF DIRECTORS**

96. The Directors may, upon provision of 7 days' notice (exclusive of the day on which it is given and the day of the meeting) in writing to each Director specifying the place, the day and the time of the meeting and the nature of business to be transacted at the meeting, meet together (either within or outside the Cayman Islands) for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Board meetings shall be held within such period and with such frequency as may be prescribed by the Applicable Listing Rules. In the case of emergency (as defined in Taiwan Company Act), the meeting of Directors may be convened at any time. The notice for meeting of Directors may be given by means of electronic communication if the Company obtains prior consent by the individual recipients.

97. Directors may participate in any meeting of the Board by means of such visual communication facilities as permit all persons participating in the meeting to see and communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

98. Unless otherwise stipulated in these Articles, the quorum necessary for the transaction of the business of the Directors shall be more than one-half of the Directors. A Director represented by proxy at any meeting shall be deemed to be present for the purposes of determining. Except as otherwise required under Article 99, questions arising at any meeting shall be decided by a majority of votes present at such meeting. In case of an equality of votes the Chairman shall not have a second or casting vote.

99. The following actions require the approval of a majority of the votes of the Directors present at a Board meeting attended by at least two-thirds of all Directors:

(a) entering into, amendment to, or termination of any contract for lease of its business in whole, or for entrusted business, or for regular joint operation with others;

(b) the sale or transfer of the whole or any material part of its business or assets;

(c) taking over the transfer of another's whole business or assets, which will have a material effect on the

business operation of the Company;

(d) the election of Chairman of the Board pursuant to these Articles;

(e) issuance of corporate bonds;

(f) issuance of Shares as provided in Article 8; and

(g) the actions prescribed in Article 9, 15(A), 30, and 79.

100. (A) A Director who has a personal interest in the matter under discussion at a Board meeting shall disclose and explain to the Board at such Board meeting the essential contents of such personal interest. In the merger/consolidation and acquisition by the Company, the director who has a personal interest in the transaction of merger/consolidation and acquisition shall explain to the Board meeting and the general meeting the essential contents of such personal interest and the cause of approval or dissent to the resolution of merger /consolidation or acquisition. The Company shall also elaborate the essential contents of the Director's personal interest and the reason for approving or dissenting the resolution of the Acquisition in the reasons for convening this general meeting; such content shall be published on a website designated by the Taiwan securities competent authorities or the Company, and the URL of such website shall be specified on the general meeting notice.

(B) Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

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

101. A Director who does anything for himself/herself or on behalf of another person that is within the scope of the Company's business shall declare the essential contents of such behaviour to the general meeting of the Members and be approved by a Special Resolution (Taiwan). Failure in obtaining such approval shall cause the Director being so interested be liable to account to the Company for any profit realized by any such behaviour if the general meeting so resolves by an Ordinary Resolution within one year from such behaviour.

102. A Director may hold any other office or place of profit under the Company in conjunction with his/her office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director shall be disqualified by his/her office from contracting with the Company either with regard to his/her tenure of any such other office or place of profit, nor shall any Director so contraction or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

103. Subject to these Articles, any Director may act by himself/herself or his/her firm in a professional capacity for the Company, and he/she or his/her firm shall be entitled to remuneration for professional services as if he/she were not a Director, provided that nothing herein contained shall authorise a Director or his/her firm to act as auditor to the Company.

104. The following matters proposed to be transacted by the Company shall be submitted to the Board of Directors for approval by at least two-thirds of all Directors unless approval has been obtained from the competent authority in Taiwan. All resolutions put to the vote of a Board of Directors shall be decided by poll. No resolutions will be passed by written resolution of Directors without a meeting. When an Independent Director has a dissenting opinion or qualified opinion on the following matters, the dissenting or qualified opinion of the Independent Director shall be noted in the minutes of the meeting of Directors:

(a) Adoption or amendment of the Company's internal control system;

- (b) Assessment to the effectiveness of the internal control system;
  - (c) Adoption or amendment of handling procedures for financial or operational actions of material significance to the Company, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others;
  - (d) Any matter bearing on the personal interest of a Director;
  - (e) Material asset or derivatives transactions;
  - (f) Material monetary loan, endorsement, or provision of guarantee;
  - (g) The offering, issuance, or private placement of any equity-type securities;
  - (h) The hiring or dismissal of an attesting certified public accountant, or the compensation given thereto;
  - (i) The appointment or discharge of a financial, accounting, or internal auditing officer;
  - (j) Approval of the annual and semi-annual financial reports; and
  - (k) Any other material matter so required by the competent authorities.
105. The Directors shall cause minutes to be made in books or loose-leaf folders provided for the purpose of recording:
- (a) all appointments of officers made by the Directors;
  - (b) the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
  - (c) all resolutions and proceedings at all meetings of the Company, and of the Directors and of committees of Directors, including the objections and comments made by Independent Directors.
106. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number summoning a general meeting of the Company, but for no other purpose.
107. Subject to any regulations imposed on it by the Directors, a committee appointed by the Directors may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of them to be the chairman of the meeting.
108. A committee appointed by the Directors may meet and adjourn as it thinks proper. Subject to any regulations imposed on it by the Directors, questions arising at any meeting shall be determined by a majority of votes of the committee members present.
109. All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

#### **AUDIT COMMITTEE**

110. The Company shall establish the Audit Committee. Its professional qualifications, compositions, election and discharges, the exercise of its powers, and other related matters shall comply with the Applicable Listing Rules.
111. In the event that the Company establishes the Audit Committee, the following matters shall be subject to the consent of the Audit Committee and be submitted to the Board of Directors for a final consent:
- (a) Adoption or amendment of an internal control system.

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

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

- 112. Subject to the Cayman Islands act, Member(s) who has/have been continuously holding 1 percent or more of the total number of the issued Shares of the Company for over six month may request in writing the independent directors of the Audit Committee of the Company to institute, for and on behalf of the Company, an action against Director(s) of the Company; such action may be instituted in the Taipei District Court as the court of jurisdiction in the first instance.
- 113. In case the independent directors of the Audit Committee fail to institute an action within 30 days after having received the request made under the preceding article, subject to the Cayman Islands Act, the Members filing such request under the preceding article may institute the action for and on behalf of the Company; ; such action may be instituted in the Taipei District Court as the court of jurisdiction in the first instance.
- 114. (Deleted)
- 115. Subject to the Company Act, any matter related to the Audit Committee which has not been included in these Articles shall refer to the Applicable Listing Rules.
- 116. (A) Before any resolution of merger/consolidation and acquisition by the Board of Directors, the Company shall have the Audit Committee review the fairness and reasonableness of the plan and transaction of the merger/consolidation or acquisition, and then report the review results to the Board of Directors and the general meeting; provided that the Audit Committee may restrain from reporting to the general meeting if the acts of the foreign issuer's registered country does not require the merger/consolidation or acquisition to be resolved by the general meeting.  
  
(B) When the Audit Committee reviews matters, it shall seek opinions from an independent expert on the justification of the share exchange ratio or distribution of cash or other assets.  
  
(C) The review results of the Audit Committee and the opinions from the independent expert shall be sent to the Members together with the notice of the general meeting; provided that such matters regarding merger/consolidation and acquisition shall be reported to the latest general meeting if the act of the foreign issuer's registered country does not require the merger/consolidation or acquisition to be resolved by the general meeting.
- 117. If the Company announces the same content as in those documents prescribed under the preceding article on a website designated by the competent securities authority of R.O.C. and those documents are prepared at the venue of the general meeting by the Company, those documents shall be deemed as having been

sent to shareholders.

118. Subject to the Companies Act and these Articles, for so long as the Shares are registered in the Emerging Market or listed on the GreTai Securities Market or TSE, dividend or bonuses, except for compensation to employees and remuneration of Directors and Supervisors, may only be declared in NTD.
119. As the Company is currently in the developing stage and will need funds for operating in the coming years, the distribution of Surplus Earnings shall be conducted according to Article 123.
120. (A) The surplus earning distribution or loss off-setting proposal shall be proposed at the close of each fiscal year
- (B) The Company distributing surplus earning in accordance with the provision of the preceding paragraph shall estimate and reserve the taxes and duties to be paid, the losses to be covered and the legal reserve to be set aside. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply.
- (C) The Company shall, by a resolution adopted by a majority of the shareholders present who represent two-thirds or more of the total number of its outstanding shares of the Company, distribute surplus earning in the form of new shares to be issued by the Company. If the total number of shares represented by the shareholders present at a meeting of shareholders is less than the threshold aforementioned, the resolution may be adopted by a large majority of two thirds or more of the voting powers of the shareholders present at a shareholders' meeting who represent a majority of the total number of issued shares.
121. Surplus earning distribution or loss off-setting proposals shall be made based on the financial statements audited or reviewed by a certified public accountant.
122. (A) The Company shall distribute no more than 1% of profit of the current year as employees' compensation, and no more than 2% of profit of the current year as directors' remuneration. However, the company's accumulated losses shall have been covered.
- (B) The profit distributable as employees' compensation may be distributed in stock dividends and/or cash dividends (for fractional Shares, the dividends shall be distributed in cash), and the qualification requirements of employees including the employees of subsidiaries of the company meeting certain specific requirements, are entitled to receive shares or cash.
- (C) "Profit of the current year" specified in this Article refers to the pre-tax income of the current year before deducting the profits attributable as employees' compensation as well as directors' remuneration; the certain specific requirements are stipulated by the Board of Directors.
- (D) The profits distribution to employees' compensation as well as directors' remuneration shall be resolved by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors and shall be submitted to the shareholders' meeting.

## **DIVIDENDS**

123. (A) The Company shall not pay dividends, unless its losses shall have been offset and a Statutory Reserve shall have been set aside in accordance with the section(C) of this Article.
- (B) The Company shall not pay dividends when there are no Surplus Earnings (as defined below) unless paid in accordance with Article 128(A).
- (C) Where the Company has net profits for the then period at the end of the fiscal year, it shall off-set losses, and thereafter setting aside ten percent (10%) as Statutory Reserves provided however that the Statutory Reserve amounts equal to the total paid-up capital of the Company, this provision shall not apply. In the event that there is still the balance left ("Surplus Earnings"), unless otherwise provided in these Articles, it may add unappropriated retained earnings of previous years as bonus shares or dividends, the distribution proposal of which is proposed by the Board of Directors, declared and distributed by an Ordinary Resolution at an annual general meeting, and be allocated to the Members as bonus Shares or dividends according to the shareholding percentage of every Member. However, after finance, business

and operation having been considered, the remainder allocated to the Members by way of bonus Shares or cash dividends shall not be less than 20 percent (20%) of the net profits for the then period in accordance with the Companies Act and the Applicable Listing Rules. The Members dividends will be distributed in stock dividends and/or cash dividends (for fractional Shares, the dividends shall be distributed in cash), and the cash dividends shall not be less than 30 percent (30%) of the total dividends distributed in the given year.

124. Aside from the Statutory Reserve, the Company may, by Ordinary Resolution, set aside from its Surplus Earnings an additional amount as a special reserve ("Special Reserve") for such purpose as authorized by the Ordinary Resolution.
125. Unless otherwise provided in these Articles and to the extent permitted by the Acts, the Statutory Reserve and the Capital Reserve shall not be used except for off-setting losses of the Company. The Company shall not use the Capital Reserve to off-set its capital losses, unless the Statutory Reserve and the Special Reserve are insufficient to off-set such losses.
126. Any resolution declaring a dividend, bonus Shares or other distribution on Shares of any class may specify that the same shall be payable or distributable to the persons registered as holders of such Shares at the close of business on a particular date.
127. Any dividend may be paid by cheque sent through the post to the registered address of the Member, or in the case of joint holders, to the holder whose name stands first in the Register in respect of the Shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque shall be made payable to the Member or the joint holders unless any of them has otherwise directed.
128. (A) Where the Company incurs no loss, it may, subject to the Companies Act, by Special Resolution (Taiwan) (a) capitalize its Statutory Reserve and following categories of Capital Reserve - Share Premium Account and/or income from endowments received by the Company - in whole or in part, by issuing new, fully paid bonus Shares to its Members or (b) make distributions out of the Statutory Reserve and the Share Premium Account to its Members in cash. Where the Statutory Reserve is capitalized by issuing new Shares or is distributed in accordance with Article 128(A)(b), only the amount of the Statutory Reserve exceeding 25% of the paid-up capital of the Company may be capitalized or distributed.  
  
(B) In the case where the Company issues new Shares to the existing Members by capitalization of its Reserves or due to an increase in the value of its assets upon revaluation, Article 11 shall not apply.
129. If several persons are registered as joint holders of any Share, any of them may give effectual receipts for any dividend or other moneys payable on or in respect of the Share.
130. No dividends shall bear interest against the Company.

#### **ACCOUNTS AND AUDIT**

131. The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Directors.
132. The books of account shall be kept at the Office or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
133. At the close of each financial year, the Board of Directors shall prepare and submit business reports, financial statements, and surplus earning distribution or loss off-setting proposals to the Audit Committee for their auditing 30 days prior to the commencement of the annual general meeting of Members, and the Board of Directors shall then provide the aforementioned documents to the annual general meeting of Members for its ratification. After the documents are ratified by the annual general meeting, the Board of Directors shall distribute or announce to each Member copies of the ratified financial statements and resolutions on the earning distribution and/or loss offsetting.
134. The statements and records of accounts prepared by the Directors in accordance with the previous Article on the Company's accounts or business shall be made available at the Office and at the office of the Members' Service Agent in Taiwan for inspection at any time by the Members commencing at least 10 days



prior to the annual general meeting.

135. The accounts relating to the Company's affairs shall only be audited in such manner and with such financial year end as may be determined from time to time by the Directors, or required by the Applicable Listing Rules.
136. Each year the Directors shall prepare, or cause to be prepared, an annual return and declaration setting forth the particulars required by the Act and deliver a copy thereof to the Registrar of Companies in the Cayman Islands.
137. (A) The Board of Directors shall keep at the Office and at the office of its Members' Service Agent in Taiwan copies of the Memorandum and Articles, the minutes of every meeting of the Members and the financial statements, the Register and the counterfoil of corporate bonds issued by the Company. Any Member of the Company may request, by submitting evidentiary document(s) to show his/her interests involved and indicating the scope of interested matters, an access to inspect, transcribe and to make copies of any such accounting books and records. The Company shall have its Members' Service Agent to provide with such accounting books and records.  
  
(B) The board of directors or other authorized conveners of shareholders' meetings may require the Company or its Members' Service Agent to provide with the roster of shareholders.
138. The Board shall be entitled to release or disclose to any regulatory or judicial authority any information in its possession, custody or control regarding the Company or its affairs or any of its Member including, without limitation, information contained in the Register of Members and transfer books of the Company.

#### **TENDER OFFER**

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

#### **SHARE PREMIUM ACCOUNT**

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

## NOTICES

142. Any notice or document may be served by the company or by the person entitled to give notice to any Member either personally, by facsimile or by sending it through the post or via a recognized courier service addressed to the Member at his/her address as appearing in the Register of Members. In the case of joint holders of a Share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.
143. Any Member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.
144. Any notice or other document, if served by (a) post, shall be deemed to have been served five days after the time when the letter containing the same is posted, or, (b) facsimile, shall be deemed to have been served upon production by the transmitting facsimile machine of a report confirming transmission of the facsimile in full to the facsimile number of the recipient or (c) recognized courier service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service. In proving any notice or other document having been duly served by post or courier service it shall be sufficient to prove that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier service.
145. Any notice or document delivered or sent by post to or left at the registered address of any Member in accordance with the terms of these Articles shall notwithstanding that such Member be then dead or bankrupt, and whether or not the Company has received notice of his/her death or bankruptcy, be deemed to have been duly served in respect of any Share registered in the name of such Member as sole or joint holder, unless his/her name shall at the time of the service of the notice or document, have been removed from the Register of Members as the holder of the Share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him/her) in the Share.
146. Notice of every general meeting of the Company shall be given to:
- (a) all Members holding Shares with the right to receive notice and who have provided to the Company an address for giving notices to them; and
  - (b) every person entitled to a Share in consequence of the death or bankruptcy of a Member, who would be entitled to receive notice of the meeting

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

## INDEMNITY

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

## FINANCIAL YEAR

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

#### **NON-RECOGNITION OF TRUSTS**

150. No person shall be recognized by the Company as holding any Share upon any trust and the Company shall not, unless required by Act, be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent or future interest in any of its Shares or any other rights in respect thereof except an absolute right to the entirety thereof in each Member registered in the Register of Members.

#### **WINDING UP**

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

#### **AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION**

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

#### **REGISTRATION BY WAY OF CONTINUATION**

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

#### **AGENT FOR LITIGIOUS AND NON-LITIGIOUS MATTERS**

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

## Appendix II

### Sunjuice Holdings Co., Ltd.

#### Rules of Procedure for Shareholders' Meetings

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

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

Article 3 Convening shareholders' meetings

Paragraph 1 Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the Board of Directors. Changes to the method of convening the shareholders' meeting shall be subject to a resolution by the Board of Directors and shall be made no later than before the notice of the shareholders' meeting is sent.

The Company should prepare the notice of the shareholders' meeting, proxy forms, relevant proposals, explanations, matters regarding the election or dismissal of Directors and supervisors, and other matters for discussion thirty days prior to the annual shareholders' meeting or fifteen days prior to a special shareholders' meeting and transmit them in electronic format to the Public Information Observation System. Additionally, twenty-one days prior to the annual shareholders' meeting or fifteen days prior to a special shareholders' meeting, the Company should transmit in electronic files the shareholders' meeting manual and supplementary materials to the Public Information Observation Station. However, if the paid-in capital of the Company as of the end of the latest fiscal year exceeds NT\$10 billion or the combined foreign and Chinese shareholder ownership percentage listed in the shareholder register exceeds thirty percent at the latest annual shareholders' meeting, the electronic transmission of the above-mentioned files should be completed thirty days prior to the annual shareholders' meeting. Fifteen days before the Company convenes a shareholders' meeting, it shall prepare the shareholders' meeting agenda handbook and supplementary materials

and make them available for the shareholders to obtain and review at any time. In addition, the handbook shall be displayed at the Company and its professional shareholder service agency.

On the day of the shareholders' meeting, the agenda and supplementary materials should be made available to the shareholders in the following ways by the Company:

- I. When a physical shareholders' meeting is convened, such materials shall be distributed on-site at the shareholders' meeting.
- II. When holding a video-assisted shareholders' meeting, the materials should be distributed at the meeting venue and transmitted electronically to the video conference platform.
- III. When holding a virtual shareholder meeting, the relevant documents should be transmitted electronically to the virtual meeting platform.

Paragraph 2 Appointment or dismissal of any director, change of Articles of Association, capital reduction, application to suspend the public company status, removal of non-compete restrictions on directors, capitalization of earnings, capitalization of reserves, company dissolution, merger, demerger, or any circumstances described in the first paragraph of Article 185 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers should be listed and explained in the notices for convening and may not be proposed during Ad-Hoc Motions. The contents may be published at the websites designated by the securities regulatory or the Company. The websites should be stated in the notices.

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

Paragraph 4 Shareholder with at least 1% of the issued shares may submit proposals to the Company for general shareholders meetings. The submission is limited to one proposal. Submission for more than one proposal will not be included in the agenda. Under any of the circumstances listed in Article 172, paragraph 1 to 4 of the Company Act, the Board of Directors may exclude the proposal submitted by a Shareholder from the list of proposals to be discussed at a general meeting. Shareholders may submit constructive proposals to urge the Company to enhance public interest or

to fulfill social responsibility. Submission is limited to one proposal according to the procedural requirements specified in Article 172-1 of the Company Act. Submission for more than one proposal will not be included in the agenda.

Paragraph 5 Before the book closure for the convening of the general shareholders' meeting, the Company should announce the acceptance of shareholders' proposals, acceptance method in writing or electronically, proposal-handling agencies and acceptance period. Acceptance period may not be less than ten days. The number of words of a proposal to be submitted by a shareholder shall be limited to not more than 300 words, and any proposal containing more than 300 words shall not be included in the agenda of the Shareholders' Meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular Shareholders' Meeting whereat his/her proposal is to be discussed and shall take part in the discussion of such proposal.

Paragraph 6 The Company should inform shareholders of the proposal acceptance outcome before the notification for the convening of the Meeting and include the proposals in adherence to these rules in the meeting notice. With regard to the proposals submitted by shareholders but not included in the agenda of the Meeting, the cause of exclusion of such proposals and explanation shall be made by the board of Directors at the Shareholders' Meeting to be convened.

#### Article 4 Power of Attorney for Shareholders' Meetings

Paragraph 1 Shareholders may present the proxy printed by the Company by specifying the scope of authorization and representative authorized for attendance of each shareholders' meetings.

Paragraph 2 Each shareholder is limited to authorizing one person with one proxy. This should arrive at the Company at least five days before the shareholders' meeting. The first to arrive shall prevail in case of duplicated proxies. unless an explicit statement to revoke the preceding written proxy is made in the proxy which comes later.

Paragraph 3 After a proxy arrives at the Company but the shareholder decides to attend the shareholders' meeting in person, it is necessary to request in writing to the Company to withdraw the proxy two days before the shareholders' meeting. If the request for withdrawal occurs after the deadline, the voting right exercised by the authorized representative shall

prevail.

Paragraph 4 If a shareholder who has submitted a power of attorney form to the Company wishes to attend the shareholder meeting via video conferencing, they should submit a written notice to the Company to revoke the proxy agent at least two days before the meeting. If the revocation is made after the deadline, the voting rights exercised by the proxy agent appointed by the shareholder will be deemed valid.

#### Article 5 Place and Time of Shareholders' Meeting

The Shareholders' Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time for commencing the said meeting shall not be earlier than 9 o'clock in the morning or later than 3 o'clock local time in the afternoon, and the opinions of Independent Directors shall be soundly considered. When the Company convenes a shareholders' meeting by video conference, it is not subject to the restriction on the venue of the meeting under the preceding paragraph.

#### Article 6 Preparation of Documents such as Attendance Book

Paragraph 1 The Company should set up a signature book for shareholders or their authorized representatives (hereinafter referred to as "Shareholders") to sign in, or collect a sign-in card from the attending Shareholders as an alternative. The shareholder attending the video conferences should complete sign-in on the shareholder video conference platform 30 minutes before the meeting begins. Shareholders who have completed sign-ins are deemed to have attended the shareholder meeting in person.

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

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

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

Paragraph 5 If the shareholders' meeting is convened by video conference, shareholders who wish to attend by video conference should register with the Company two days prior to the shareholders' meeting. For a shareholders' meeting held via video conference, the Company should upload the agenda, annual reports, and other relevant information to the video conference platform for shareholders at least thirty minutes before the start of the meeting and continuously disclose it until the end of the meeting.

Paragraph 6 When the Company convenes the shareholders' meeting by video conference, the information below shall be stated in the meeting notice:

1. Methods for shareholders to participate in and exercise their rights in a video conference.
2. The handling processes in case of a hindrance to the video conferencing platform or participation through video conferencing due to obstacles such as natural disasters, incidents, or other force majeure events, should include at least the following:
  - (1) If the obstacles cannot be resolved before the conference and the conference needs to be postponed or continued at a later date, the date and time for the rescheduled meeting should be announced.
  - (2) Shareholders who did not register to participate in the original video conference are not allowed to participate in the postponed or continued meeting.
  - (3) In the case of a video-assisted shareholders' meeting, if the video conference cannot continue, the attendance of shareholders who participated in the meeting through the video conference should be deducted, and if the total shareholding attending the meeting reaches the statutory quota for holding the shareholders' meeting, the meeting should continue. Shareholders who participate in the meeting through the video conference should have their attendance counted towards the total number of shareholders attending the meeting. For all the resolutions of the meeting, it should be deemed that they have waived their voting rights.
  - (4) If all resolutions have been announced with results, and no Extraordinary Motions have been made, the processing method for this scenario should be determined.
3. When convening a video shareholders' meeting, appropriate alternative



measures for shareholders who have difficulties in participating in the meeting through video should be provided.

#### Article 7 Shareholders' Meeting Chairman and NON-VOTING PARTICIPANTS

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

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

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

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

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

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

If a shareholders' meeting is convened by video conference, the Company shall keep records of shareholders' registration, sign-in, questions raised, as well as voting and the Company's vote counting results and retain the records, while making an uninterrupted audio and video recording of the entire video conference.

The above-mentioned materials and audio and video recordings shall be properly kept by the Company during the period of its existence, and the audio

and video recordings shall be provided to those who are entrusted to handle the video conference affairs for storage.

For virtual shareholder meetings, it is advised that the Company record the audio and video of the backend operations interface of the virtual meeting platform.

#### Article 9 Attendance at and Resolutions of Shareholders' Meeting

Paragraph 1 Attendance at shareholders' meetings shall be counted based on numbers of shares. The number of attending shares should be calculated based on the signature book, the sign-in cards submitted, and the number of shareholders who have reported their attendance on the video conference platform. The number should also include the shares that exercised voting rights through written or electronic means.

Paragraph 2 At the time of the meeting commencement, the chair should immediately call for order and announce information related to the numbers of shares without voting rights and the number of shares in attendance. If the shareholders in attendance do not represent more than half of the issued shares, the chair may announce postponement. The postponement is limited to twice and up to one hour in total. If the quorum of attending shareholders representing one third or more of the total number of issued shares is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the Meeting adjourned. In case the shareholders' meeting is held through video conferencing, the Company should also announce the adjournment of the meeting on the video conferencing platform.

Paragraph 3 In case of no quorum of shareholders representing at least one third of the issued shares in attendance after two postponements, tentative resolutions may be reached according to the first paragraph of Article 175 of the Company Act. Shareholders are then informed of the results of the tentative resolutions and the shareholders' meeting is reconvened within one month. If the shareholder's meeting is held through a video conference, shareholders who wish to attend through video conferencing should re-register with the Company in accordance with Article 6.

Paragraph 4 When, prior to conclusion of the Meeting, the attending shareholders represent a majority of the total number of issued shares, the Chairman may re-submit the tentative resolution for a vote by the shareholders

meeting pursuant to Article 174 of the Company Act.

#### Article 10 Discussion of proposals

Paragraph 1 If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Relevant proposals (including extemporary motions and amendments to original proposals) shall be voted on separately. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

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

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

Paragraph 4 The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or 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 schedule sufficient time for voting.

#### Article 11 Shareholder Speech

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

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

Paragraph 3 Except with the consent of the chair, a shareholder may not speak more

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

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

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

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

Paragraph 7 For a virtual shareholder meeting, shareholders who participate via video conferencing may submit questions in writing through the platform. Each shareholder may ask up to two questions per resolution, limited to 200 words per question, from the time the meeting is called to order until it is adjourned. This is not subject to the regulations in Articles 1-5. If the questions asked do not violate any regulations or exceed the scope of the resolution, they should be disclosed on the video conference platform for the knowledge of all shareholders.

## Article 12 Calculation of Voting Shares and Recusal System

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

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

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

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

Paragraph 5 With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting

rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

#### Article 13 Voting on Shareholders' Meeting

Paragraph 1 A shareholder shall be entitled to one vote, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

Paragraph 2 Voting rights should be exercised electronically and may be by correspondence for the shareholders' meetings convened by the Company. The methods to exercise voting rights by correspondence or electronically should be stated in the notice for shareholders' meetings. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the Meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.

Paragraph 3 The aforesaid indication to exercise voting rights by correspondence or electronically should arrive at the Company two days before the shareholders' meeting. The first to arrival shall prevail in case of repeated indications. except when a declaration is made to cancel the earlier declaration of intent.

Paragraph 4 If a shareholder would like to attend the shareholders' meeting in person or by video conference after the indication to exercise voting rights by correspondence or electronically, it is necessary to request the withdrawal of the aforesaid indication for exercise of voting rights with the same method indicated two days before the shareholders' meeting. If the request for withdrawal occurs after the deadline, the voting right exercised by correspondence or electronically shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the Meeting shall prevail.

Paragraph 5 Except as otherwise provided in the Company Act and in the Company's Articles of Association, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair

or a person designated by the Chairman shall first announce the total number of voting rights represented by the attending shareholders.

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

Paragraph 7 When there is an amendment or an alternative to a proposal, the Chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

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

Paragraph 9 Vote counting should be carried out openly at the shareholders' meeting venue. The results should be reported onsite and recorded.

Paragraph 10 For a virtual shareholder meeting held by the Company, shareholders participating via video conference should vote on each resolution and election proposal through the video conferencing platform after the meeting is called to order by the chairman, and they should complete their voting before the chairman announces the end of the voting period. Any vote cast after the deadline will be deemed invalid.

For meetings held via video conference, the chairman should announce the results of the cumulative voting and election results after the voting is closed.

If a shareholders' meeting is convened, along with a video conference held at the same time, shareholders who have registered to attend the shareholders' meeting by video conference in accordance with Article 6, intend to attend the physical shareholders' meeting in person, shall rescind the registration in the same manner as the registration two days before the shareholders' meeting, otherwise they can only attend the shareholders' meeting by video conference.

Those who exercise their voting rights in writing or by electronic means without retracting their declaration of intention and participate in the shareholders' meeting by video conference shall not exercise their voting

rights on the same motions, propose amendment to the same motions, or exercise their voting rights for revised motions, except for Extraordinary Motion.

#### Article 14 Election matters

Paragraph 1 If there is an election of directors at the shareholders' meeting, the Company's election related rules shall apply. The election results should be announced onsite, including the list of elected directors and the number of votes for winning in the election and the list of candidates not elected and the number of votes attracted despite not winning in the election.

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

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

Paragraph 1 Matters pertaining to the resolutions of a shareholders' meeting shall be recorded in the Meeting minutes. The chair shall affix his/her signature or seal to the meeting minutes and a copy thereof shall be distributed to each shareholder within 20 days after the conclusion of the Meeting. The meeting minutes may be produced and distributed in electronic form.

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

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

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

Paragraph 5 In the case of a shareholder meeting held via video conference, the minutes of the meeting should include the items required to be recorded as stipulated in the preceding provision, and also the start and end time of the meeting, the method of convening the meeting, the names of the chairman and the record keeper, as well as the handling processes and situations when the video conference platform or the video participation encounters obstacles due to natural disasters, incidents, or other force majeure events.

When a shareholders' meeting is convened by video conference, the Company shall proceed as per the preceding paragraph and shall specify the alternative measures provided to shareholders who have difficulty participating in the video conference in the minutes of the shareholders' meeting.

#### Article 16 Public Disclosure

Paragraph 1 The number of shares solicited by the solicitor and the number of shares represented by the proxy agents should be compiled in a statistical table in the prescribed format and displayed clearly at the meeting venue on the day of the shareholders' meeting, along with the number of shares represented by shareholders attending the meeting in writing or electronically. For a shareholders' meeting held via video conference, the Company should upload the aforementioned information to the video conference platform for shareholders at least thirty minutes before the start of the meeting and continuously disclose it until the end of the meeting.

At the beginning of the virtual shareholders' meeting, the Company should disclose the total number of shares represented by attending shareholders on the video conferencing platform. The same shall apply if the total number of shares and voting rights in attendance are counted during the meeting.

Paragraph 2 If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (Taipei Exchange), the content of such resolutions shall be uploaded to the Market Observation Post System within the prescribed time limit.

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

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



badges.

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

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

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

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

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

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

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

#### Article 19 Information Disclosure for Video Conferences

For a shareholder meeting held via video conference, the Company should promptly disclose the results of the voting on each proposal and the election results in accordance with regulations on the video conference platform of the shareholder meeting after the voting is concluded. The Company should continue to disclose the results for at least fifteen minutes after the chairman announces the adjournment of the meeting.

#### Article 20 Location of Chairman and Recorder for Virtual Shareholders Meeting

When the Company convenes a virtual shareholders' meeting, the chairman and the recorder should be located in the same place in the country, and the chairman should announce the address of the location at the beginning of the meeting.

## Article 21 Handling of Disruptions

When a shareholders' meeting is convened by video conference, the Company may allow shareholders to perform a simple test of the connection before the meeting commences and provide relevant services immediately before and during the meeting to assist with any technical communication problems.

When a shareholder meeting is held via video conference, the chairman should announce at the beginning of the meeting, except for the situation where it is unnecessary to postpone or continue the meeting as stipulated in Article 44-20, Paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, that in the event of natural disasters, incidents, or other force majeure events that disrupt the video conferencing platform or participation via video conferencing for more than thirty minutes, the date of the adjourned or continued meeting should be set within five days, and the provisions of Article 182 of the Company Act should not apply.

In the event of any incident in the preceding paragraph that caused the meeting to be postponed or resumed, shareholders who have not registered to participate in the original shareholders' meeting by video conference shall not participate in the meeting postponed or resumed.

For the meeting to be postponed or resumed under paragraph 2, shareholders who have registered to participate in the original shareholders' meeting by video conference and have completed the registration but fail to participate in said meeting, the number of shares in attendance and the voting rights and voting rights for elections exercised at the original shareholders' meeting shall be included in the total number of attending shareholders' shares, voting rights, and voting rights for elections at the meeting postponed or resumed.

According to the second provision, when handling the adjournment or continuation of a shareholders' meeting in accordance with the regulations, for proposals for which voting and vote counting have been completed, and the voting results or lists of elected Directors or supervisors have been announced, there is no need to re-discuss and make resolutions.

When the Company convenes a shareholder's meeting, supplemented by a video conference, if the video conference cannot continue as under paragraph 2, after the number of shares in attendance through the video conference is deducted, the total number of shares in attendance at the physical shareholders' meeting reaches the number as required by law, the shareholders' meeting shall continue. There is no need to postpone or resume

the meeting in accordance with paragraph 2.

When the meeting shall continue as in the preceding paragraph, for shareholders participating by video conference, the number of their shares shall be included in the total number of shares in attendance; however, they shall be deemed to abstain for all motions resolved at the shareholders' meeting.

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

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

#### Article 22 Handling of Digital Divide

When a shareholders' meeting is to be convened by video conference, appropriate alternatives to shareholders who have difficulty participating in the meeting by video means shall be provided.

Article 23 These Rules and all amendments hereto shall be effective from the date of approval by the Shareholders' Meeting.

## Appendix III

### Sunjuice Holdings Co., Ltd.

#### Shareholdings of All Directors

Percentage and number of legally required shareholdings owned by the Company's directors:

The Company has issued 33,842,160 shares

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

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

Title	Name	Current shareholdings (Note 1)	
		Number of shares held (shares)	Ratio in Issued shares
Chairman	Huang, Kuo-Huang	9,093,849	26.87%
Director	Lin, Li-Lin	6,134,264	18.12%
Director	Wu, Ming-Hsien	1,224,406	3.62%
Director	Huang, Hsun-I	319,879	0.95%
Director	Liu, Hsuan-Che	-	-
Independent Director	Lo, Shih-Wei	-	-
Independent Director	Lin, Feng-I	-	-
Independent Director	Chen, Yung-Lung	-	-
Number of shares actually held by the entire Directors		16,772,398	49.56%

Note 1: No. of shares held by individual shareholders and all directors as of April 8, 2024, the book closure day for 2024 Annual General Meeting

Note 2: The number of shareholders owned by all directors as of the book closure day for this annual general meeting conforms to the percentage requirements set forth in the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.