



股票代號:4763

**Jinan Acetate Chemical Co., LTD.**  
**濟南大自然新材料股份有限公司**

# 110年股東常會 議事手冊

股東常會日期：中華民國一一〇年四月十五日

股東常會地點：台北市信義區基隆路一段176號 B2樓會議室  
(康和綜合證券股份有限公司B2會議室)



Stock Code: 4763

# **Jinan Acetate Chemical Co., LTD.**

## Handbook for the 2021 Annual Meeting of Shareholders

Date: April 15, 2021 (Thursday)

Address: No. B2 meeting room, 176, Sec. 1, Keelung Rd., Xinyi Dist.,  
Taipei City(B2 Conference Room of Concord Securities Corp)

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## **Translation**

The English version is a translation based on the original Chinese version.  
Where any discrepancy arises between the two versions, the Chinese version shall prevail.

# **Jinan Acetate Chemical Co., LTD.**

## **Agenda of the General Meeting of Shareholders of 2021**

Time: April 15, 2021 (Thursday) at 9:00 a.m.

Place: No. B2 meeting room, 176, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City

(B2 Conference Room of Concord Securities Corp)

1. Announcement of total equity represented by shareholders attending the general meeting of shareholders
2. Meeting called to order
3. Speech given by the chairperson
4. Matters to Report
  - (i) Business Report of 2020
  - (ii) Audit Committee's Review Report .
  - (iii) The Status report on the First and Second Domestic Unsecured Convertible Corporate Bonds.
  - (iv) The distribution of employees' and directors' remuneration of 2020
5. Matters for Approval
  - (i) Adoption of the 2020 Business Report and Consolidated Financial Statements.
  - (ii) Adoption of the Proposal for Distribution of 2020 Profits.
6. Matters for Discussion
  - (i) Amendment to the Regulations Governing Derivatives Transactions Conducted.
  - (ii) Amendment to the Rules of Procedure for Shareholder Meetings.
  - (iii) Increase Capital through Transferring Retained Earnings and Issuing of New Shares.
7. Questions and Motions
8. Adjournment

## Matters to Report

### 1. Business Report of 2020

Explanation: Business Report of 2020, please refer to Attachment 1 (this handbook pp 9~11).

### 2. Audit Committee's Review Report of 2020

Explanation: Audit report issued by Audit Committee for of 2020, please refer to Attachment 2 (this handbook pp 12).

### 3. The Status report on the First and Second Domestic Unsecured Convertible Corporate Bonds

Explanation:

- i. To repay the loans issued by the bank and expand working capital, the Company was approved, through with Ref. No.: Jin-Guan-Zheng-Fa-Tzu No. 1060016481 dated May 19, 2017 from Financial Supervisory Commission, Executive Yuan, to issue 5-year unsecured convertible bonds in the amount of NT\$500,000,000, which were exchange-traded from June 9, 2017. As of February 17, 2021, no creditor exercised the conversion right.
- ii. To repay the loans issued by the bank and expand working capital, the Company was approved, through with Ref. No.: Jin-Guan-Zheng-Fa-Tzu No. 1090353890 dated August 28, 2020 from Financial Supervisory Commission, Executive Yuan, to issue 5-year unsecured convertible bonds in the amount of NT\$600,000,000, which were exchange-traded from September 25, 2020. As of February 17, 2021, no creditor exercised the conversion right.
- iii. The Status report on the First and Second Domestic Unsecured Convertible Corporate Bonds is attached. Please refer to Attachment 3 (this handbook pp 13~14).

### 4. The distribution of employees' and directors' remuneration of 2020.

Explanation:

- i. According to the Articles of Incorporation, when the Company has any profit in any

fiscal year, it shall allocate no less than 1% of the profit to be employees' remuneration. The persons to whom the employees' remuneration is allocated shall include the employees of its affiliate who have met the requirements provided. The Company shall also allocate no more than 3% of the aforementioned profit to be directors' remuneration.

- ii. The directors' remuneration and the employees' remuneration allocated by the Company in 2020 were NT\$1,000,000 and NT\$5,122,000 respectively. Both were allocated in cash.

## Matters for Approval

### Case 1

Subject: Adoption of the 2020 Business Report and Consolidated Financial Statements.

Explanation:

1. The Company's business report and consolidated financial statements of 2020 have been prepared, and the financial statements have been audited and certified by CPAs. The financial statements and the business report have also been reviewed by audit committee and adopted by the board of directors through its resolution, and are hereby presented to the shareholders' meeting for recognition.
2. For the aforementioned statements and report, please refer to Attachments 1, 2, 4 (this handbook pp 9~12, pp 15~24).

Resolution:

### Case 2

Subject: Adoption of the Proposal for Distribution of 2020 Profits.

Explanation:

1. The Company's statement of earning distribution of 2020 is provided below.
2. It is proposed to distribute a stock dividend of NT\$74,989,050, and an allotment of NT\$1.5 per share, that is, a stock dividend of 150 shares per 1,000 shares; and a cash dividend of NT\$274,959,850, that is, a new allotment per share. NT\$5.5, rounded to the nearest integer, shall be allocated and that the total of any fractional amount less than NT\$1 shall be listed as other incomes of the Company.
3. It is proposed that the chairman of the board of directors shall be authorized at the shareholders' meeting to adjust the distribution yield in case that the distribution yield needs to be amended due to outstanding shares influenced by any change of capital stock in the future.
4. It is proposed that the chairman of the board of directors shall be authorized at the shareholders' meeting to determine ex-dividend date, distribution date and other matters relevant to distribution of cash dividends.



**Jinan Acetate Chemical Co., LTD.**

**Earning Distribution Statement**

**Year 2020**

Unit: NT\$

Item	Amount
<b>Beginning balance of undistributed earnings</b>	4,967,535
<b>Add: Net profit this year</b>	504,557,580
<b>Allocated legal reserve (10%)</b>	(50,455,758)
<b>Turnover special reserve</b>	15,389,960
Earnings distributable	474,459,317
Allocated items:	
<b>Bonuses to shareholders × Cash dividend NT\$5.5</b>	(274,959,850)
<b>Bonuses to shareholders × Stock dividend NT\$1.5</b>	(74,989,050)
Ending balance of undistributed earnings	124,510,417

Note 1: The number of shares is calculated based on the number of the shares outstanding upon the board meeting convened on March 5, 2021, i.e. 49,992,700 shares. The treasury stock of 1,084,000 shares was excluded.

Note 2: In the earning distribution, the earnings distributable in 2020 were distributed first, and in case of any insufficiency, the distributable earnings accumulated from previous years are distributed by using the first in first out method based on the year when earnings have been generated

Chairman: Wang, Ko-Chang    Manager: Wang, Ko-Chang    Accounting Supervisor: Chen, Chien-Jui

Resolution:

## Matters for Discussion

### Case 1

Subject: Amendment to the Regulations Governing Derivatives Transactions Conducted.

Please proceed to discuss.

Explanation:

Since the company has already replaced the function of supervisor with independent directors, it is proposed to amend some of the "Regulations Governing Derivatives Transactions Conducted ".Please refer to Attachment 5 for the comparison table between the proposed amendments and the original Regulations Governing Derivatives Transactions Conducted (this handbook pp 25).

Resolution:

### Case 2

Subject: Amendment to the Rules of Procedure for Shareholder Meetings. Please proceed to discuss.

Explanation:

In order to comply with laws and regulations, improve corporate governance and safeguard shareholders' rights, the company plans to amend the "Rules of Procedures for Shareholders' Meetings".Please refer to Attachment 6 for the comparison table between the proposed amendments and the original Regulations Governing Derivatives Transactions Conducted (this handbook pp 26~28).

Resolution:

### Case 3

Subject: Increase Capital through Transferring Retained Earnings and Issuing of New Shares.

Explanation:

1. The company intends to increase capital of NT\$74,989,050 by transferring retained earnings, and issue 7,498,905 new shares with a par value of NT\$10 per share. After the

issuance of new shares, the paid-in capital will be NT\$585,756,050.

2. The new share issuance of this capital increase is based on the number of shares held by shareholders as recorded in the shareholder register on the base date of the allotment. 150 new shares will be allotted for every thousand shares. The allotment of odd shares will be changed to cash (rounded to the nearest integer). The shares shall be subscribed by the board of directors authorized by the chairman of the board to contact a specific person at face value.
3. It is proposed that the chairman of the board of directors shall be authorized at the shareholders' meeting to adjust the allotment ratio in case that the allotment ratio needs to be amended due to outstanding shares influenced by any change of capital stock in the future.
4. The shareholder rights and obligations of the new shares are the same as those of existing shares.
5. After the approval of the Annual Meeting of Shareholders, the new shares will be distributed on a record date determined by the Board.

Resolution:

## Questions and Motions

## Adjournment

## Attachment 1

# Jinan Acetate Chemical Co., LTD. Business Report of 2020

Dear Shareholders, Madams and Sirs:

First, we would like to thank all of you for your support and encouragement for the past year. The Company's business result of 2020 is hereby reported as follows:

### I. Business Result of 2020

#### (i) Result of Implementation of Business Plan

In 2020, the consolidated revenue of the Company was NT\$2,353,380 thousand, which is 8.20% more than NT\$2,174,990 thousand of last year. The consolidated net profit after tax was NT\$509,581 thousand, which is 53.83% more than NT\$331,257 thousand of last year. Revenues from tow and flake in this period both hit a record high. Although the world is affected by COVID-19, overall, the changes in the company's product portfolio are conducive to profitability. The increase in gross profit margin is mainly due to the continuous optimization of the manufacturing process and production efficiency improvement and expanding economies of scale. Tow revenue increased by 9.17% compared with last year, and vinegar tablets increased by 5.82% compared with last year.

Therefore, the Company will continue to develop better specifications for products and be devoted to integrate upstream materials to reduce cost further. In addition to maintaining existing customers, the Company will also develop niche market, look for strategic alliance and expand supply. Basically, the Company remains optimistic for the growth of business in the future.

#### (ii) Analysis of Financial Incomes and Expenses and Profitability

Items		Year 2019	Year 2020
Financial structure (%)	Debt Ratio	46.92	48.27
	Ratio of long-term capital to property, plant and equipment	167.18	244.10
Profitability	Return on asset (%)	14.32	18.67
	Return on equity (%)	24.87	34.19
	Pre-tax income to paid-in capital (%)	74.08	108.24
	Profit ratio (%)	15.23	21.65
	Earnings per share (NT\$)	6.52	10.07

The ratio of liabilities to assets in 2020 is slightly higher than that in 2019, and the ratio of long-term capital to real estate, plant and equipment in 2020 is higher than that in 2019, which is mainly due to convertible corporate bonds and enrich working capital.

The return on assets, return on equity, Pre-tax income to paid-in capital, and Profit ratio and Earnings per share in 2020 are all better than 2019, mainly due to the company's 2020 pre-tax and tax. The net profit afterwards has improved compared

with 2019.

(iii) Status of R&D

As for the R&D direction, the Group not only continues to develop and improve manufacturing process to strengthen its ability of production and manufacturing, but also designs different process conditions. In addition to applying its experience obtained from current products, the Group also develops relevant material parameters, equipment parameters and craftwork parameters. To develop new products, a company has to accumulate necessary technology and experience. With such technology and experience, a company is then able to mass-produce new products with high yield and high quality to enhance the technical threshold for the industry. The Company, after making effort for many years, has obtained a high level of technology maturity, and its relevant products have also been recognized by lots of companies in more than 50 countries in the world.

II. Summary of Business Plan of 2021

(i) Guidelines for Management

1. Focus the niche market with growth potential in an emerging country, and make revenue grow stably.
2. Focus on development of the products with special specifications of cellulose diacetate tow, in addition to the products with general specifications, to satisfy the requirements of specifications required by customers in the world.
3. Strengthen on-the-job training for existing employees, enhance R&D ability, and cooperate with external resources, including institute of science and technology and relevant agencies, to positively research and develop the strategy of applying acetate fiber materials to products, in order to accumulate experience and develop new technology rapidly and ensure and enhance competitiveness in research and development.
4. Provide sound technical service, and customize diversified products with stable quality and a small quantity based on the need for products required by the customer.
5. Continue to look for opportunities of integrating upstream and downstream suppliers vertically, reduce cost and expand downstream supply.

(ii) Important Production and Marketing Policies

1. Develop niche markets in Africa, Middle East, South America and Southeast Asia by participating international and famous trade shows, applying the experience obtained from transactions with emerging economies and countries, or through the services provided by the agent.
2. Possess the ability of manufacturing the products with general specifications, and also focus on development of the products with special specifications to satisfy the requirements of specifications required by customers in the world.
3. Formulate a long-term plan to apply acetate fibers to other applied products to expand the level of application of products.

III. Corporate Future Development Strategy

(i) Development of Products

Due to advanced production technology, only several large manufacturers produce cellulose acetate tow. It has been an oligopoly market. As acetic anhydride tablets have been mass-produced in recent years, products have even been developed towards spectacle frames, handles of hand tools and other applications. The Company will continue to cultivate research in technology of cellulose acetate to strengthen its product competitiveness and enhance its market share.

(ii) Marketing Strategy

Maintain existing customers, positively look for potential customers by participating trade shows overseas, develop in an emerging country the market that has potential in order to expand business, and choose quality customers to be partners in business and grow with the partners.

(iii) Production Strategy

The Company formulates many R&D plans every year aiming to not only develop new product specifications, but also focus on improvement of craftwork of process, enhancement of efficiency, and increase of percentage of automated production. It also integrates upstream suppliers to reduce production cost per unit.

IV. Influence of External Competitive Environment, Regulatory Environment and Overall Business Environment

The Company, which has autonomous technology of cellulose acetate tow and cellulose acetate (tablet), is able to cooperate with the tobacco company in the monopolistic or oligopoly market of every country. In recent years, the Company has expanded export business positively and broken into the niche market successfully. In addition to the products with general specifications, special specifications are also researched and developed in order to satisfy the demands specified by different customers. The Company also continues to develop environment-friendly products, enhance ability of production and quality control and increase its market share.

Last but not least, we would like to thank all the shareholders, customer, and colleagues for your long-term contributions and efforts to the development of the company, and to thank you for your encouragement and support, so that the company can continue to thrive.

We wish you good health and all the best.

Chairman: Wang, Ko-Chang

General Manager: Wang, Ko-Chang

CFO: Chen, Chieh-Jui

Attachment 2

Jinan Acetate Chemical Co., LTD.  
Audit Committee's Review Report

The board of directors has prepared the company's business report, consolidated financial statements and statement of earning distribution of 2020. The consolidated financial statements have already been audited and certified by Lee Tung-Feng and Huang Yao-Lin, CPAs of Deloitte Taiwan, and the auditors' report has been issued. The audit committee has reviewed the above business report, consolidated financial statements and statement of earning distribution and believed that nothing in those statements was non-compliant. This report is hereby issued in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

This report is hereby submitted to the general meeting of shareholders of 2021.

Jinan Acetate Chemical Co., LTD.

Chairman of the Audit Committee: : Lin, Tzer-Jong

On the Date of March 5, 2021

Attachment 3:

Trading of First and Second Unsecured Convertible Bonds of the Company in 2020 in the R.O.C.

Type of Bonds	1 <sup>st</sup> Unsecured Convertible Corporate Bond.
Date of Issue (Trading)	Issued on June 9, 2017
Denomination	NT\$100 thousand
Place of Issue and Trading	Taipei Exchange (OTC Market)
Total Amount	Amount issued: NT\$500,000,000 Amount raised: NT\$505,000,000
Interest Rate	Annual interest rate 0%
Period	5-year period; Date of maturity: June 9, 2022
Capital Not Repaid Yet	NT\$500,000 thousand
Other Rights Attached	Amount of converted (exchanged or subscribed) common shares, overseas depository receipts or other marketable securities as of the date of publication of the annual report  Amount of convertible bonds after exercise of conversion right: NT\$0; Total converted common shares: 0 share
Possible dilution of share rights and current shareholders' equity influenced by regulations of issuance, conversion, exchange or subscription or conditions of issuance	If all are converted to common shares at the current conversion price NT\$137.0, then 3,649,635 shares have to be issued, which are 7.15% of total issued shares. Its influence on shareholders' equity is limited.



Type of Bonds	2 <sup>rd</sup> Unsecured Convertible Corporate Bond.
Date of Issue (Trading)	Issued on September 25, 2020
Denomination	NT\$100 thousand
Place of Issue and Trading	Taipei Exchange (OTC Market)
Total Amount	Amount issued: NT\$600,000,000 Amount raised: NT\$606,000,000
Interest Rate	Annual interest rate 0%
Period	5-year period; Date of maturity: September 25, 2025
Capital Not Repaid Yet	NT\$600,000 thousand
Other Rights Attached	Amount of converted (exchanged or subscribed) common shares, overseas depositary receipts or other marketable securities as of the date of publication of the annual report  Amount of convertible bonds after exercise of conversion right: NT\$0; Total converted common shares: 0 share
Possible dilution of share rights and current shareholders' equity influenced by regulations of issuance, conversion, exchange or subscription or conditions of issuance	If all are converted to common shares at the current conversion price NT\$130.7, then 4,590,666 shares have to be issued, which are 8.99% of total issued shares. Its influence on shareholders' equity is limited.

## Attachment 4

### **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Jinan Acetate Chemical Co., Ltd.

#### **Opinion**

We have audited the accompanying consolidated financial statements of Jinan Acetate Chemical Co., Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (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, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

#### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

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

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

#### Occurrence of Operating Revenue Recognize in Substantial Growth of Customers Sales

At the year ended December 31, 2020, the Group's revenue increased compare to the year ended December 31, 2019. In 2020, among part of the Group's customers have substantial growth in operating revenue than previous year. We, therefore, consider the recognition of operating revenue growth with customers sales, which have substantial growth in operating revenue than previous year as a key audit matter. Please refer to Notes 4 and 22 to the consolidated financial statements for the relevant accounting policy.

The key audit procedures performed in respect of the above area included the following:

1. We obtained on understanding of the Group's policies procedures and internal controls for revenue recognition and tested the effectiveness and efficiency of operations of the key controls over the occurrence of revenue recognize.
2. We analyzed the sales customers, which mentioned above, with the reason for the change in operating revenue.
3. We selected the sample transactions of the sales customers, which mentioned above, in the sales records for substantive tests and confirmed them with the supporting shipping documents, and verified the collection after the reporting period.
4. We inspected any major sales return and discount within the sales customer after the reporting period.

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

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

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

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

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

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

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

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Tung-Feng Lee and Yao-Ling Huang.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 5, 2021

Notice to Readers

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

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

# JINAN ACETATE CHEMICAL CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

ASSETS	2020		2019	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 831,330	27	\$ 589,261	23
Financial assets at amortized cost - current (Notes 4, 9 and 29)	4,865	-	98,106	4
Notes and accounts receivable, net (Notes 4, 10 and 22)	586,078	19	350,644	14
Accounts receivable from related parties (Notes 4, 10, 22 and 28)	75,387	3	87,249	3
Other receivables (Note 4)	35,585	1	26,128	1
Current tax assets (Notes 4 and 24)	3,628	-	14,028	-
Inventories, net (Notes 4 and 11)	219,979	7	242,969	9
Prepayments (Notes 16 and 28)	63,982	2	54,319	2
Other current assets (Notes 4, 28 and 29)	<u>92,318</u>	<u>3</u>	<u>67,065</u>	<u>3</u>
Total current assets	<u>1,913,152</u>	<u>62</u>	<u>1,529,769</u>	<u>59</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	25,829	1	31,716	1
Property, plant and equipment (Notes 4, 13 and 29)	898,321	29	826,705	32
Right-of-use assets (Notes 4, 14 and 29)	53,811	2	55,248	2
Investment properties, net (Notes 4, 15 and 29)	101,897	3	100,220	4
Deferred tax assets (Notes 4 and 24)	34,080	1	21,533	1
Other non-current assets (Note 4 and 16)	<u>81,977</u>	<u>2</u>	<u>21,083</u>	<u>1</u>
Total non-current assets	<u>1,195,915</u>	<u>38</u>	<u>1,056,505</u>	<u>41</u>
<b>TOTAL</b>	<u>\$ 3,109,067</u>	<u>100</u>	<u>\$ 2,586,274</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 17)	\$ 56,960	2	\$ 299,800	11
Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 18)	21,798	1	46,300	2
Contract liabilities - current (Note 22)	47,573	1	16,450	1
Notes and accounts payable, net (Note 28)	157,488	5	222,386	9
Other payables (Notes 19 and 28)	156,896	5	157,288	6
Current portion of bonds payable (Notes 4 and 18)	473,921	15	456,564	18
Other current liabilities	<u>1,657</u>	<u>-</u>	<u>5,382</u>	<u>-</u>
Total current liabilities	<u>916,293</u>	<u>29</u>	<u>1,204,170</u>	<u>47</u>
<b>NON-CURRENT LIABILITIES</b>				
Financial liabilities at fair value through profit or loss - non-current (Notes 4, 7 and 18)	61,140	2	-	-
Bonds payable (Notes 4 and 18)	513,646	17	-	-
Deferred tax liabilities (Notes 4 and 24)	<u>9,577</u>	<u>-</u>	<u>9,420</u>	<u>-</u>
Total non-current liabilities	<u>584,363</u>	<u>19</u>	<u>9,420</u>	<u>-</u>
Total liabilities	<u>1,500,656</u>	<u>48</u>	<u>1,213,590</u>	<u>47</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 21)</b>				
Share capital				
Ordinary Shares	<u>510,767</u>	<u>17</u>	<u>510,767</u>	<u>20</u>
Capital surplus	<u>433,575</u>	<u>14</u>	<u>433,575</u>	<u>17</u>
Retained earnings				
Legal reserve	133,588	4	100,620	4
Special reserve	78,601	3	21,406	1
Unappropriated earnings	<u>509,525</u>	<u>16</u>	<u>332,779</u>	<u>13</u>
Total retained earnings	<u>721,714</u>	<u>23</u>	<u>454,805</u>	<u>18</u>
Other equity				
Exchange differences on translating the financial statements of foreign operations	(110,395)	(4)	(130,806)	(5)
Unrealized valuation loss on financial assets at fair value through other comprehensive income	(15,619)	-	(10,597)	-
Revaluation surplus	<u>65,146</u>	<u>2</u>	<u>65,146</u>	<u>2</u>
Total other equity	<u>(60,868)</u>	<u>(2)</u>	<u>(76,257)</u>	<u>(3)</u>
Treasury shares	<u>(115,905)</u>	<u>(4)</u>	<u>(63,586)</u>	<u>(3)</u>
Total equity attributable to owners of the Company	1,489,283	48	1,259,304	49
<b>NON-CONTROLLING INTERESTS</b>	<u>119,128</u>	<u>4</u>	<u>113,380</u>	<u>4</u>
Total equity	<u>1,608,411</u>	<u>52</u>	<u>1,372,684</u>	<u>53</u>
<b>TOTAL</b>	<u>\$ 3,109,067</u>	<u>100</u>	<u>\$ 2,586,274</u>	<u>100</u>

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

## JINAN ACETATE CHEMICAL CO., LTD. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22 and 28)	\$ 2,353,380	100	\$ 2,174,990	100
OPERATING COSTS (Notes 11, 23 and 28)	<u>(1,564,853)</u>	<u>(67)</u>	<u>(1,501,761)</u>	<u>(69)</u>
GROSS PROFIT	<u>788,527</u>	<u>33</u>	<u>673,229</u>	<u>31</u>
OPERATING EXPENSES (Notes 23 and 28)				
Selling and marketing expenses	(126,578)	(5)	(116,685)	(5)
General and administrative expenses	(65,306)	(3)	(68,725)	(3)
Research and development expenses	<u>(97,428)</u>	<u>(4)</u>	<u>(96,675)</u>	<u>(5)</u>
Total operating expenses	<u>(289,312)</u>	<u>(12)</u>	<u>(282,085)</u>	<u>(13)</u>
PROFIT FROM OPERATIONS	<u>499,215</u>	<u>21</u>	<u>391,144</u>	<u>18</u>
NON-OPERATING INCOME AND EXPENSES (Note 23)				
Other income	49,077	2	26,859	1
Other gains and losses	(27,010)	(1)	(19,228)	(1)
Finance costs	(25,860)	(1)	(23,347)	(1)
Interest income	1,778	-	2,833	-
Net gain on fair value changes of financial liabilities at fair value through profit or loss (Note 18)	<u>55,650</u>	<u>2</u>	<u>100</u>	<u>-</u>
Total non-operating income and expenses	<u>53,635</u>	<u>2</u>	<u>(12,783)</u>	<u>(1)</u>
PROFIT BEFORE INCOME TAX	552,850	23	378,361	17
INCOME TAX EXPENSE (Notes 4 and 24)	<u>(43,269)</u>	<u>(2)</u>	<u>(47,104)</u>	<u>(2)</u>
NET PROFIT FOR THE YEAR	<u>509,581</u>	<u>21</u>	<u>331,257</u>	<u>15</u>

(Continued)

# JINAN ACETATE CHEMICAL CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				
Items that will not be reclassified subsequently to profit or loss				
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	\$ (6,278)	-	\$ (13,246)	(1)
Exchange differences arising on translation to the presentation currency	<u>22,392</u>	<u>1</u>	<u>(51,226)</u>	<u>(2)</u>
Total other comprehensive income (loss)	<u>16,114</u>	<u>1</u>	<u>(64,472)</u>	<u>(3)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 525,695</u>	<u>22</u>	<u>\$ 266,785</u>	<u>12</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 504,558	22	\$ 329,677	15
Non-controlling interests	<u>5,023</u>	<u>-</u>	<u>1,580</u>	<u>-</u>
	<u>\$ 509,581</u>	<u>22</u>	<u>\$ 331,257</u>	<u>15</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	\$ 519,947	22	\$ 272,482	12
Non-controlling interests	<u>5,748</u>	<u>-</u>	<u>(5,697)</u>	<u>-</u>
	<u>\$ 525,695</u>	<u>22</u>	<u>\$ 266,785</u>	<u>12</u>
EARNINGS PER SHARE (NT\$, Note 25)				
Basic	<u>\$ 10.07</u>		<u>\$ 6.52</u>	
Diluted	<u>\$ 9.87</u>		<u>\$ 6.40</u>	

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

(Concluded)



**JINAN ACETATE CHEMICAL CO., LTD. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019  
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company							Other Equity							
	Share Capital		Capital Surplus	Retained Earnings			Total	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gains on Property Revaluation	Total	Treasury Shares	Total	Non-controlling Interests	Total Equity
	Shares (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings									
BALANCE AT JANUARY 1, 2019	46,480	\$ 464,800	\$ 479,542	\$ 78,110	\$ 2,344	\$ 228,542	\$ 308,996	\$ (84,208)	\$ -	\$ 65,146	\$ (19,062)	\$ (52,124)	\$ 1,182,152	\$ 109,295	\$ 1,291,447
Appropriation of 2018 earnings															
Legal reserve	-	-	-	22,510	-	(22,510)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	19,062	(19,062)	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(183,868)	(183,868)	-	-	-	-	-	(183,868)	-	(183,868)
	-	-	-	22,510	19,062	(225,440)	(183,868)	-	-	-	-	-	(183,868)	-	(183,868)
Net profit (loss) for the year ended December 31, 2019	-	-	-	-	-	329,677	329,677	-	-	-	-	-	329,677	1,580	331,257
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	-	-	-	(46,598)	(10,597)	-	(57,195)	-	(57,195)	(7,277)	(64,472)
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	-	329,677	329,677	(46,598)	(10,597)	-	(57,195)	-	272,482	(5,697)	266,785
Issuance of share dividends from capital surplus	4,597	45,967	(45,967)	-	-	-	-	-	-	-	-	-	-	-	-
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	-	-	-	(11,462)	(11,462)	-	(11,462)
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	9,782	9,782
BALANCE AT DECEMBER 31, 2019	51,077	510,767	433,575	100,620	21,406	332,779	454,805	(130,806)	(10,597)	65,146	(76,257)	(63,586)	1,259,304	113,380	1,372,684
Appropriation of 2019 earnings															
Legal reserve	-	-	-	32,968	-	(32,968)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	57,195	(57,195)	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(237,649)	(237,649)	-	-	-	-	-	(237,649)	-	(237,649)
	-	-	-	32,968	57,195	(327,812)	(237,649)	-	-	-	-	-	(237,649)	-	(237,649)
Net profit (loss) for the year ended December 31, 2020	-	-	-	-	-	504,558	504,558	-	-	-	-	-	504,558	5,023	509,581
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	-	-	20,411	(5,022)	-	15,389	-	15,389	725	16,114
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	504,558	504,558	20,411	(5,022)	-	15,389	-	519,947	5,748	525,695
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	-	-	-	(52,319)	(52,319)	-	(52,319)
BALANCE AT DECEMBER 31, 2020	51,077	510,767	433,575	133,588	78,601	509,525	721,714	(110,395)	(15,619)	65,146	(60,868)	(115,905)	1,489,283	119,128	1,608,411

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

# JINAN ACETATE CHEMICAL CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 552,850	\$ 378,361
Adjustments for:		
Depreciation expenses	105,376	98,227
Net gain on fair value changes of financial liabilities at fair value through profit or loss	(55,650)	(100)
Finance costs	25,860	23,347
Interest income	(1,778)	(2,833)
Loss on disposal of property, plant and equipment	22	34
Write-downs of inventories	267	657
Changes in operating assets and liabilities		
Notes receivable	(137,307)	(15,768)
Accounts receivable	(98,127)	(71,963)
Accounts receivable from related parties	11,862	(38,099)
Other receivables	(8,822)	(8,741)
Inventories	22,723	77,069
Prepayments	(9,663)	28,999
Other current assets	(25,253)	56,525
Contract liabilities	31,123	9,254
Notes and accounts payable	(64,898)	(22,813)
Other payables	(392)	(91)
Other current liabilities	(2,682)	1,331
Cash generated from operations	<u>345,511</u>	<u>513,396</u>
Interest paid	(3,993)	(6,625)
Income taxes paid	<u>(46,796)</u>	<u>(41,048)</u>
Net cash generated from operating activities	<u>294,722</u>	<u>465,723</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	-	(47,308)
Purchase of financial assets at amortized cost	(3,798)	(98,106)
Proceeds from disposal of financial assets at amortized cost	98,680	633
Payments for property, plant and equipment	(141,008)	(84,453)
Proceeds from disposal of property, plant and equipment	2	14
Decrease in refundable deposits	-	15
Decrease in other non-current assets	1,368	12,260
Increase in prepayments for equipment	(80,162)	(20,442)
Interest received	<u>1,143</u>	<u>1,957</u>
Net cash used in investing activities	<u>(123,775)</u>	<u>(235,430)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from (repayments of) short-term borrowings	(236,400)	191,654
Proceeds from issuance of convertible bonds	601,416	-

(Continued)

# JINAN ACETATE CHEMICAL CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

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	2020	2019
Proceeds from (refund of) guarantee deposits received	\$ (1,042)	\$ 1,318
Dividends paid to owners of the Company	(237,649)	(183,868)
Payments for buy-back of ordinary shares	(52,319)	(11,462)
Increase in non-controlling interests	<u>-</u>	<u>9,782</u>
Net cash generated from financing activities	<u>74,006</u>	<u>7,424</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(2,884)</u>	<u>(17,534)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	242,069	220,183
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>589,261</u>	<u>369,078</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 831,330</u>	<u>\$ 589,261</u>

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

(Concluded)

Attachment 5

Comparison Table between the Proposed Amendments and the Original Regulations Governing Derivatives

Transactions Conducted.

Item	Original	Proposed Amendment	Reason for Amendment
5~5.4~5.4.1	5. Content 5.4 Internal audit 5.4.1 The internal auditors should regularly understand the adequacy of the internal control of derivative commodity transactions, check the compliance of the trading department with these measures on a monthly basis, analyze the transaction cycle, and prepare an audit report. If a major violation is found, the <u>supervisor</u> should be notified in writing .	5. Content 5.4 Internal audit 5.4.1 The internal auditors should regularly understand the adequacy of the internal control of derivative commodity transactions, check the compliance of the trading department with these measures on a monthly basis, analyze the transaction cycle, and prepare an audit report. If a major violation is found, the <u>independent director</u> should be notified in writing .	The company replaces the supervisory function with independent directors
5.9	These Rules were established on <u>December 4, 2014</u> .	These Rules were established on <u>April 15, 2021</u> .	Update the revision date of the shareholders meeting

Attachment 6

Comparison Table between the Proposed Amendments and the Original Rules of Procedure for Shareholder Meetings.

Item	Original	Proposed Amendment	Reason for Amendment
Article 3	<p>4.The election or dismissal or directors, change to the Articles of Association, company dissolution, merger or demerger and any matter listed under any subparagraph, first paragraph, Article 185 of the Company Act of the Republic of China (hereinafter the “Company Act”) or Articles 26-1 and 43-6 of the Securities Transaction Act of the Republic of China <u>must</u> be listed in the agenda and shall not proposed under Questions and Motions.</p> <p>5.A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of</p>	<p>4.The election or dismissal or directors, change to the Articles of Association, company dissolution, merger or demerger and any matter listed under any subparagraph, first paragraph, Article 185 of the Company Act of the Republic of China (hereinafter the “Company Act”) or Articles 26-1 or 43-6 of the Securities Transaction Act of the Republic of China <u>and 56-1 or 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers</u> must be listed in the agenda and shall not proposed under Questions and Motions.</p> <p>5.A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article</p>	<p>1.Added other laws and regulations that cannot be proposed as temporary motions.</p> <p>2. Cooperate with the amendment to Article 172-5 of the Company Law, and the Jingshangzi No.10700105410 Letter, to amend the sixth paragraph of this article.</p>

	directors may exclude it from the agenda.	172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. <u>Shareholders may submit proposed proposals to urge the company to promote the public interest or fulfill its social responsibilities. The procedures shall be limited to one item in accordance with the relevant provisions of Article 172-1 of the Company Law. Any proposal with more than one item shall not be included in the proposal.</u>	
Article 9	2.The chairman shall announce the start of the meeting at the meeting time. However, if the attending shareholders represent less than the majority of all outstanding shares, the chairman may announce the meeting adjourned. There may be up to 2 adjournments. The time of adjournment shall not exceed a total of one hour. If the attending shareholders after 2 adjournments still represent less than 1/3 of all outstanding shares, the chairman shall announce the meeting failed.	2.The chairman shall announce the start of the meeting at the meeting time <u>and announce the relevant information such as the number of non-voting rights and the number of shares present.</u> However, if the attending shareholders represent less than the majority of all outstanding shares, the chairman may announce the meeting adjourned. There may be up to 2 adjournments. The time of adjournment shall not exceed a total of one hour. If the attending shareholders after 2 adjournments still represent less than 1/3 of all outstanding shares, the chairman shall announce the meeting failed.	To improve corporate governance and safeguard shareholder rights.

Article 14	1.The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.	1.The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected <u>and the list of unsuccessful directors and their voting rights.</u>	To improve corporate governance and safeguard shareholder rights.
-	These Rules were established on <u>December 4,2014</u>	These Rules were established on <u>April 15,2021</u>	Update the revision date of the shareholders meeting

Appendix 1

**SIXTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION  
OF  
Jinan Acetate Chemical Co., LTD.**

**(adopted by a Special Resolution passed on June 23, 2020)**

**Table A**

The regulations in Table A in the First Schedule to the Law (as defined below) do not apply to the Company.

**INTERPRETATION**

**1. Definitions**

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

Applicable Law	the Applicable Public Company Rules, the Law or such other rules or legislation applicable to the Company;
Applicable Public Company Rules	the ROC laws, rules and regulations (including, without limitation, the Company Law of the ROC, the Securities and Exchange Law of the ROC, the rules and regulations promulgated by the FSC, the rules and regulations promulgated by the TPEX and the rules and regulations promulgated by the TSE, as amended from time to time) affecting public reporting companies or companies listed on any ROC stock exchange or securities market that from time to time are required by the relevant regulator as applicable to the Company;
Appointed Representative Articles	has the meaning given thereto in Article 35.5; the Articles of Association as altered from time to time;
Audit Committee	the audit committee of the Board, which shall comprise solely of all the Independent Directors of the Company;
Board	the board of directors appointed or elected pursuant to the Articles and acting at a meeting of directors at which there is a quorum in accordance with the Articles;
Capital Reserve	for the purpose of the Articles only, comprises of the



	premium paid on the issuance of any share and income from endowments received by the Company from the Members;
Chairman	the Director elected amongst all the Directors as the chairman of the Board;
Company	Jinan Acetate Chemical Co., LTD.;
Compensation Committee	a committee of the Board, which shall be comprised of professional individuals and having the functions, in each case, prescribed by the Applicable Public Company Rules;
Cumulative Voting	the voting mechanism for an election of Directors as described in Article 35.2 hereof;
Directors	the directors for the time being of the Company and shall include any and all Independent Director(s);
Dissenting Member	has the meaning given thereto in Article 28.2;
Electronic Record	has the same meaning as in the Electronic Transactions Law;
Electronic Transactions Law	the Electronic Transactions Law (2003 Revision) of the Cayman Islands;
ESM	the emerging stock market of the ROC;
Family Relationship within Second Degree of Kinship	in respect of a person, means another person who is related to the first person either by blood or by marriage of a member of the family and within the second degree shall include the parents, siblings, grandparents, children and grandchildren of the first person as well as the parents, siblings and grandparents of the first person's spouse;
FSC	the Financial Supervisory Commission of the ROC;
Independent Directors	the Directors who are elected as "Independent Directors" in accordance with the Applicable Public Company Rules or the Articles;
Joint Operation Contract	a contract between the Company and one or more person(s) or entit(ies) where the parties thereto agree to pursue the same business venture and jointly bear losses and enjoy profits arising out of such business venture in accordance with the terms thereof;
Law	The Companies Law (2020 Revision) of the Cayman

Lease Contract	Islands and every modification, reenactment or revision thereof for the time being in force; a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) lease or rent from the Company the necessary means and assets to operate the whole business of the Company in the name of such person, and as consideration, the Company receives a pre-determined compensation from such person;
Litigious and Non-Litigious Agent	a person appointed by the Company pursuant to the Applicable Law as the Company's process agent for purposes of service of documents in the relevant jurisdiction and the Company's responsible person in the ROC under the Securities and Exchange Law of the ROC;
Management Contract	a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) manage and operate the business of the Company in the name of and for the benefit of the Company, and as consideration, such person(s) receive a pre-determined compensation from the Company while the Company continues to be entitled to the profits (or losses) of such business;
Market Observation Post System	the public company reporting system maintained by the TSE;
Member	the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
Memorandum	the memorandum of association of the Company;
Merger	means: (a) a "merger" or "consolidation" as defined under the Law ; or  (b) other forms of mergers and acquisitions which fall within the definition of "merger and/or consolidation" under the Applicable Public

	Company Rules;
month	calendar month;
Notice	written notice as further provided in the Articles unless otherwise specifically stated;
Officer	any person appointed by the Board to hold an office in the Company;
Ordinary Resolution	a resolution passed at a general meeting (or, if so specified, a meeting of Members holding a class of shares) of the Company by not less than a simple majority vote of the Members present at the meeting, in person or by proxy. For these purposes, where votes represented but not cast at the meeting will be deemed to be votes cast against the resolution;
Preferred Shares	has the meaning given thereto in Article 6;
Private Placement	means, for so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the private placement by the Company of shares or other securities of the Company as permitted by the Applicable Public Company Rules;
Register of Directors and Officers	the register of directors and officers referred to in Article 42 hereof;
Register of Members	the register of members of the Company maintained in accordance with the Law and (as long as the shares of the Company are traded on the ESM or listed on the TPEX or the TSE in Taiwan) the Applicable Public Company Rules;
Registered Office	the registered office for the time being of the Company;
Replacement	has the meaning given thereto in Article 35.6;
Restricted Shares	has the meaning given thereto in Article 2.5;
ROC	Taiwan, the Republic of China;
Seal	the common seal or any official or duplicate seal of the Company;
Secretary	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary;

share(s)	share(s) of par value New Taiwan Dollars 10.00 each in the Company;
Share Swap	a 100% share swap as defined in the ROC Business Mergers and Acquisitions Act whereby a company (the "Acquiring Company") acquiring all the issued and outstanding shares of another company with the consideration being the shares of the Acquiring Company, cash or other assets;
Special Resolution	Subject to the Law, means a resolution passed at a general meeting of the Company by a majority of at least two-thirds of the votes cast by such Members who, being entitled to do so, vote in person or by their proxies, or, in the case of Members that are corporations or other non-natural person, by their duly authorised representatives by computing the number of votes to which each Member is entitled;
Spin-off	a spin-off as defined in the ROC Business Mergers and Acquisitions Act whereby a company transfers a part or all of its business that may be operated independently to an existing company or newly incorporated company (the "Acquirer") with the consideration being the shares of the Acquirer, cash or other assets;
Subsidiary	with respect to any company, (1) the entity, more than one half of whose total number of the issued voting shares or the total amount of the share capital are directly or indirectly held by such company; or (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation;
Supermajority Resolution	a resolution passed by a majority vote of the Members present at a general meeting attended by Members who represent two-thirds or more of the total issued shares or, if the total number of shares represented by the Members present at the general meeting is less than two-thirds of the total issued shares, but more than one half of the total issued shares, means instead, a resolution passed by

	two-thirds or more of votes cast by the Members present at such general meeting. For these purposes, where votes represented but not cast at the meeting will be deemed to be votes cast against the resolution;
Treasury Shares	means shares of the Company held in treasury pursuant to the Law and the Articles;
TDCC	the Taiwan Depository & Clearing Corporation;
TPEX	the Taipei Exchange;
TSE	the Taiwan Stock Exchange Corporation; and
year	calendar year.

**1.2** In the Articles, where not inconsistent with the context:

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

**1.3** Headings used in the Articles are for convenience only and are not to be used or relied upon in the construction hereof.

## SHARES

### 2. Power to Issue Shares

- 1.1** Subject to the Applicable Law, Articles and any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred

or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Company may by resolution of the Members prescribe, provided that no share shall be issued at a discount except in accordance with the Law and the Applicable Public Company Rules.

- 1.2** Unless otherwise provided in the Articles, the issue of new shares of the Company shall be approved by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors. The issue of new shares shall at all times be subject to the sufficiency of the authorized capital of the Company.
- 1.3** After the application for trading of the shares on the ESM or listing in Taiwan has been approved by the TPEX or TSE, as applicable, where the Company increases its issued share capital by issuing new shares for cash consideration in the ROC, the Company shall allocate 10% of the total amount of the new shares to be issued, for offering in the ROC to the public ("**Public Offering Portion**") unless it is not necessary or appropriate, as determined by the FSC or the TPEX for the Company to conduct the aforementioned public offering or otherwise provided by Applicable Law. However, if a percentage higher than the aforementioned 10% is resolved by the Members in a general meeting by Ordinary Resolution to be offered, the percentage determined by such resolution shall prevail and shares corresponding to such percentage shall be reserved as Public Offering Portion. The Company may also reserve 10% to 15% of such new shares for subscription by the employees of the Company and its Subsidiaries (the "**Employee Subscription Portion**"). The Company may prohibit such employees from transferring the shares so subscribed within a certain period; provided, however, that such a period cannot be more than two years.
- 1.4** Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration pursuant to Article 2.3 hereof, after allocation of the Public Offering Portion, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3 hereof, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights. Where an exercise of the pre-emptive right may result in fractional entitlement of a Member, the entitlements (including fractional entitlements) of two or more Members may be combined to jointly subscribe for one or more whole new shares in the name of a single Member,

subject to compliance with such directions and terms and conditions as determined by the Board and the Applicable Public Company Rules. If the total number of the new shares to be issued has not been fully subscribed for by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed new shares to a specific person or persons in such manner as is consistent with the Applicable Public Company Rules.

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

- 1.5** Subject to the Applicable Law, the Company may issue new shares with restricted rights ("**Restricted Shares**") to employees of the Company and its Subsidiaries with the sanction of a Supermajority Resolution provided that Article 2.3 hereof shall not apply in respect of the issue of such shares. For so long as the shares are traded on the ESM or listed on the TPEx or the TSE in Taiwan, the terms of issue of Restricted Shares, including but not limited to the number of Restricted Shares so issued, issue price of Restricted Shares and other related matters shall be in accordance with the Applicable Public Company Rules.
- 1.6** The pre-emptive right of employees under Article 2.3 and the pre-emptive right of Members under Article 2.4 shall not apply in the event that new shares are issued due to the following reasons or for the following purposes:
- (a) in connection with a Merger, Share Swap, Spin-off, or pursuant to any reorganization of the Company;
  - (b) in connection with meeting the Company's obligations under share subscription warrants and/or options, including those rendered in Articles 2.8 and 2.11 hereof;
  - (c) in connection with the issue of Restricted Shares in accordance with Article 2.5 hereof;
  - (d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares;

- (e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares;
- (f) in connection with the issue of shares in accordance with Article 14.6; or
- (g) in connection with Private Placement of the securities issued by the Company.

- 1.7** The Company shall not issue any unpaid shares or partly paid shares.
- 1.8** Notwithstanding Article 2.5 hereof, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, adopt one or more employee incentive programmes and may issue shares or options, warrants or other similar instruments, to employees of the Company and its Subsidiaries, and for the avoidance of doubt, resolution of the Members is not required.
- 1.9** Options, warrants or other similar instruments issued in accordance with Article 2.8 above are not transferable save by inheritance.
- 1.10** Directors of the Company and its Subsidiaries shall not be eligible for Restricted Shares pursuant to Article 2.5 hereof or the incentive programmes pursuant to Article 2.8 hereof, provided that directors who are also employees of the Company or its Subsidiaries may subscribe for Restricted Shares or participate in an incentive programme in their capacity as an employee and not as a director of the Company or its Subsidiaries.
- 1.11** The Company may enter into agreements with employees of the Company and/or the employees of its Subsidiaries in relation to the incentive programme approved pursuant to Article 2.8 above, whereby employees may subscribe for, within a specific period, a specific number of the shares. The terms and conditions of such agreements shall be no less restrictive on the relevant employee than the terms specified in the applicable incentive programme.
- 1.12** Without prejudice to any provisions in this Article 2, where shares are issued by the Company for purposes of changing the currency denomination of share capital of the Company as approved by the members at a general meeting (the "**Redenomination**"), to the extent that the percentage of shareholding interest of the members of the Company will not be affected and the members are not required to pay any amounts for any new shares issued in connection with the Redenomination in excess of the proceeds of any share buy back of their existing shares which are subject to the Redenomination, no further approval or consent of the Member or Members shall be required.

### **3. Redemption and Purchase of Shares**

- 3.1** Subject to the Law, the Company is authorised to issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or a Member.



- 3.2** The Company is authorised to make payments in respect of the redemption of its shares out of capital or out of any other account or fund authorised for this purpose in accordance with the Law.
- 3.3** The redemption price of a redeemable share, or the method of calculation thereof, shall be fixed by the Board at or before the time of issue.
- 3.4** Every share certificate relating to redeemable share shall indicate that the share is redeemable.
- 3.5** Subject to the Applicable Law and the Articles, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, purchase its own shares (including any redeemable shares) on such terms and in such manner as the Directors may determine and hold them as Treasury Shares in accordance with the Applicable Law PROVIDED THAT if any purchase of the Company's own shares involves any immediate cancellation of shares of the Company, such repurchase of shares is subject to approval by the Members by way of an Ordinary Resolution and the number of shares of the Company to be cancelled shall be allocated among all the Members as of the date of such cancellation on a pro rata basis (as rounded up or down to the nearest whole number as determined by the Directors) based on the then prevailing percentage of shareholding of the Members, unless otherwise provided for in the Law or the Applicable Public Company Rules.

Upon approval by Members by way of an Ordinary Resolution to repurchase and cancel shares of the Company, the repurchase price may be paid in any manner authorized by the Law, including in cash or in kind, provided that where any repurchase price is to be paid in kind, the monetary equivalent value of such payment in kind shall be (a) assessed by an ROC certified public accountant before being submitted by the Board to the Members for approval as part of the Ordinary Resolution authorising the repurchase and cancellation of shares of the Company; and (b) agreed to individually by each Member who will be receiving the repurchase price in kind. Without prejudice to this Article 3.5., in the case of a repurchase of shares by the Company for purposes of changing the currency denomination of share capital of the Company, consent of the holders of the shares subject to such repurchase shall not be required.

- 3.6** In the event that the Company proposes to purchase any share traded on the ESM or listed on the TPEX or the TSE in Taiwan pursuant to the preceding Article, the resolution of the Board approving such proposal and the implementation thereof should be reported to the Members in the next general meeting in accordance with the Applicable Public Company Rules. Such reporting obligation shall also apply even if the Company does not implement the proposal to purchase its shares traded on the ESM or listed on the TPEX or

the TSE in Taiwan for any reason.

- 3.7** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Company is authorised to purchase any share traded on the ESM or listed on the TPEX or the TSE in Taiwan in accordance with the following manner of purchase:
- (a) the total price of the shares purchased by the Company shall not exceed the sum of retained earnings minus earnings distribution resolved by the Board or the general meeting, plus the following realized capital reserve:
    - (i) the premium received from the disposal of assets that has not been booked as retained earnings;
    - (ii) the premium paid on the issuance of any share and income from endowments received by the Company provided however that income from the shares shall not be included before such shares have been transferred to others;
  - (b) the maximum number of shares purchased by the Company shall not exceed ten percent of the total number of issued and outstanding shares of the Company; and
  - (c) the purchase shall be at such time, at such price and on such other terms as determined and agreed by the Board in its sole discretion provided however that:
    - (i) such purchase transactions shall be in accordance with the laws and regulations of the ROC relating to securities transactions and Applicable Public Company Rules; and
    - (ii) such purchase transactions shall be in accordance with the Law.
- 3.8** Subject to Article 3.5 and the Applicable Public Company Rules, the redemption or repurchase price may be paid in any manner permissible under the Law as determined by the Board.
- 3.9** A delay in payment of the redemption price shall not affect the redemption but, in the case of a delay of more than thirty days, interest shall be paid for the period from the due date until actual payment at a rate which the Directors, after due enquiry, estimate to be representative of the rates being offered by banks holding “A” licenses (as defined in the Banks and Trust Companies Law (Revised) of the Cayman Islands) in the Cayman Islands for thirty day deposits in the same currency.
- 3.10** The Directors may exercise as they think fit the powers conferred on the Company by Section 37(5) of the Law (payment out of capital) but only if and to the extent that the redemption could not otherwise be made (or not without making a fresh issue of shares for this purpose).
- 3.11** Subject as aforesaid, the Directors may determine, as they think fit all questions that may

arise concerning the manner in which the redemption of the shares shall or may be effected.

- 3.12** No share may be redeemed unless it is fully paid.
- 3.13** The Board may designate as Treasury Shares any of its shares that it purchases or redeems, or any shares surrendered to it, in accordance with the Applicable Law.
- 3.14** No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up of the Company) may be made to the Company in respect of a Treasury Share.
- 3.15** The Company shall be entered in the Register of Members as the holder of the Treasury Shares provided that:
- (a) the Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
  - (b) a Treasury Share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the Articles or the Law.
- 3.16** After the Company purchases the shares traded on the ESM or listed on the TPEX or the TSE in Taiwan, any proposal to transfer the Treasury Shares to the employees of the Company and its Subsidiaries at a price below the average actual repurchase price must be approved by Special Resolution in the next general meeting and the items required by the Applicable Public Company Rules shall be specified in the notice of the general meeting and may not be proposed as an extemporaneous motion. The aggregate number of Treasury Shares resolved at all general meetings and transferred to the employees of the Company and its Subsidiaries shall not exceed 5% of the total issued shares, and each employee may not subscribe for more than 0.5% of the total issued shares in aggregate. The Company may prohibit such employees from transferring such Treasury Shares within a certain period; provided, however, that such a period cannot be more than two years.
- 3.17** Subject to Article 3.16 and the Applicable Public Company Rules, Treasury Shares may be disposed of by the Company on such terms and conditions in accordance with the Applicable Law as determined by the Directors.

#### **4. Rights Attaching to Shares**

Subject to Article 2.1, the Memorandum and the Articles, other contractual obligations or restrictions that the Company is bound by and any resolution of the Members to the contrary and without prejudice to any special rights conferred thereby on the holders of any other shares

or class of shares, the share capital of the Company shall be divided into shares of a single class the holders of which shall, subject to the provisions of the Articles:

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

## **5. Share Certificates**

- 5.1** The Company may issue shares in uncertificated/scripless form or issue share certificates. Where share certificates are issued, every Member shall be entitled to a certificate issued under the Seal (or a facsimile thereof), which shall be affixed or imprinted with the authority of the Board, specifying the number and, where appropriate, the class of shares held by such Member. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means. For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, shares of the Company shall be issued in uncertificated/scripless form unless the issuance of share certificates is required by the provisions of the Applicable Public Company Rules.
- 5.2** If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.
- 5.3** Share may not be issued in bearer form.
- 5.4** When the Company shall issue share certificates pursuant to Article 5.1 hereof, the Company shall deliver the share certificates to the subscribers within thirty (30) days from the date such share certificates may be issued pursuant to the Law, the Memorandum, the Articles, and the Applicable Public Company Rules, and shall make a public announcement prior to the delivery of such share certificates pursuant to the Applicable Public Company Rules.
- 5.5** Where the Company shall issue the shares in uncertificated/scripless form, the Company shall comply with the Law and the Applicable Public Company Rules to handle relevant matters, and shall deliver the shares to the subscribers by book-entry transfer within thirty (30) days after the Company is permitted by applicable listing laws and regulations to issue such shares and make a public announcement prior to the delivery.

## **6. Preferred Shares**

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

## **REGISTRATION OF SHARES**

### **7. Register of Members**

- (a) For so long as shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Board shall cause to be kept a Register of Members which may be kept outside the Cayman Islands at such place as the Board shall appoint and which shall be maintained in accordance with the Law and the Applicable Public Company Rules.
- (b) In the event that the Company has shares that are not traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Company shall also cause to be kept a register of such shares in accordance with Section 40 of the Law.

### **8. Registered Holder Absolute Owner**

Except as required by law:

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

### **9. Transfer of Registered Shares**

- 9.1** Title to shares traded on the ESM or listed on the TPEX or the TSE in Taiwan may be evidenced and transferred in a manner consistent with the Applicable Public Company Rules (including through the book-entry system of the TDCC).
- 9.2** All transfers of shares which are in certificated form may be effected by an instrument of transfer in writing in any usual form or in any other form which the Board may approve

and shall be executed by or on behalf of the transferor and, if the Board so requires, by or on behalf of the transferee. Without prejudice to the foregoing, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. Notwithstanding the foregoing, an instrument of transfer shall not be required for a repurchase of shares by the Company for purposes of changing the currency of share capital of the Company.

- 9.3** The Board may refuse to recognise any instrument of transfer in respect of shares in certificated form unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
- 9.4** The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 9.5** The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share in certificated form in the event such registration of transfer would (i) conflict with the Applicable Law; or (ii) conflict with the Memorandum and/or the Articles. If the Board refuses to register a transfer of any share, the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

## **10. Transmission of Registered Shares**

- 10.1** In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of Section 39 of the Law, for the purpose of this Article, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.
- 10.2** Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share.
- 10.3** On the presentation of the evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration or refuse

registration as stipulated in Article 9.3 hereof as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.

- 10.4** Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

## **ORDINARY RESOLUTION, SPECIAL RESOLUTION AND SUPERMAJORITY**

### **RESOLUTION**

#### **11. Alteration of Capital**

- 11.1** The Company may from time to time by Ordinary Resolution alter the conditions of its Memorandum to:
- (a) increase its share capital by new shares of such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;
  - (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
  - (c) convert all or any of its paid up shares into stock and reconvert that stock into paid up shares of any denomination;
  - (d) sub-divide its existing shares, or any of them into shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares; or
  - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- 11.2** The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Article and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the new proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose

the Board may authorise some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

## **12. Special Resolution and Supermajority Resolution**

**12.1** Subject to the Law and the Articles, the Company may from time to time by Special Resolution:

- (a) change its name;
- (b) alter or add to the Articles;
- (c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein;
- (d) reduce its share capital and any capital redemption reserve fund; or
- (e) effect a Merger under the Law.

**12.2** Subject to the Law, the Company may, by Special Resolution, issue securities by way of Private Placement within the territory of the ROC in accordance with Applicable Public Company Rules; provided that, for issuance of corporate bonds which do not involve the grant of a warrant, option, or right of conversion or otherwise grant the holders of the bonds the right to acquire equity or similar rights by way of Private Placement within the territory of the ROC, the Company may do so by resolution of the Board in different tranches within one year from the date of the resolution of the Board in accordance with Applicable Public Company Rules.

**12.3** Subject to the Law, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution:

- (a) effecting any capitalization of distributable dividends and/or bonuses and/or any other amount prescribed under Article 17 hereof;
- (b) distributing its Capital Reserve or Statutory Reserve, in whole or in part, to its existing Members in proportion to the number of shares being held by each of them in cash, provided that in the case of distribution of the Statutory Reserve (as defined in Article 14.4), only the portion of Statutory Reserve which exceeds twenty five percent (25%) of the issued share capital may be distributed;
- (c) effecting any Merger (except for any Merger which falls within the definition of "merger" and/or "consolidation" under the Law, which requires the approval of the Company by Special Resolution only), Share Swap or Spin-off of the Company;
- (d) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
- (e) the transferring of the whole or any essential part of the business or assets of the Company; or



- (f) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation.

**12.4** Subject to the Law, the Company may be wound up voluntarily:

- (a) if the Company resolves by Ordinary Resolution that it be wound up voluntarily because the Company is unable to pay its debts as they fall due; or
- (b) if the Company resolves by Special Resolution that it be wound up voluntarily for reasons other than set out in Article 12.4(a) above.

### **13. Variation of Rights Attaching to Shares**

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the sanction of a Special Resolution passed at a general meeting of the holders of the shares of the class.

Notwithstanding the foregoing, if any modification or alteration in the Articles is prejudicial to the preferential rights of any class of shares, such modification or alteration shall be adopted by a Special Resolution and shall also be adopted by a Special Resolution passed at a separate meeting of Members of that class of shares. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith. To any such meeting all the provisions of the Articles relating to general meetings shall apply *mutatis mutandis*.

## **DIVIDENDS AND CAPITALISATION**

### **14. Dividends**

**14.1** The Board may, subject to approval by the Members by way of Ordinary Resolution or, in the case of Article 12.3(a), Supermajority Resolution and subject to the Articles and any direction of the Company in general meeting, declare a dividend to be paid to the Members in proportion to the number of shares held by them, and such dividend may be paid in cash or shares.

**14.2** Subject to the Applicable Law, no dividends or other distribution shall be paid except out of profits of the Company, realised or unrealised, out of share premium account or any reserve, fund or account as otherwise permitted by the Law. Except as otherwise provided by the rights attached to any shares, all dividends and other distributions shall be paid according to the number of the shares that a Member holds. If any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividends accordingly.

**14.3** The Company, in addition to the dividends to be distributed at the end of each financial year, may distribute interim dividends to the Members on semi-year basis. If the Board

decides not to distribute interim dividends, the Board shall adopt a resolution to confirm such non-distribution after the relevant first half of the financial year. The distribution of the dividends at the end of each financial year shall comply with the requirements and procedures set forth in Clauses 14.4 to 14.6 and 14.10 to 14.12 and the distribution of the dividends for the first half of the financial year shall comply the requirements and procedures set forth in Clauses 14.6 to 14.12.

- 14.4** Subject to the Law and this Article and except as otherwise provided by the rights attached to any shares, the Company may distribute profits in accordance with a proposal for profits distribution approved by the Board and sanctioned by the Members by an Ordinary Resolution, in annual general meetings.
- 14.5** Upon the final settlement of the Company in the current year, if there is "surplus profit" (as defined below), the Company shall set aside no less than one per cent (1%) as compensation to employees ("Employees' Compensations") and Employees' Compensations may be distributed to employees of the Company and its Subsidiaries, who meet certain qualifications. The Company shall, from the surplus profit, set aside no more than three per cent (3%) thereof as remuneration for the Directors ("**Directors' Remuneration**"). The distribution proposals in respect of Employees' Compensation and Directors' Remuneration shall be approved by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors and submitted to the shareholders' meeting for report. However, if the Company has accumulated losses, the Company shall reserve an amount thereof for making up the losses before proceeding with the above-mentioned distributions and allocation. The "surplus profit" referred to above means the net profit before tax of the Company and for the avoidance of doubt, such amount is before any payment of compensation to employees and remuneration for the Directors.
- 14.6** The Company is in the growth stage. The Board shall prepare the dividend proposal by taking into account the profit of the year, overall development, financial plans, capital requirements, the industry and the Company's prospects and perspectives and so on and submit the proposal for the Members' approval. For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, if there are profits, in making the profits distribution recommendation, the Board shall set aside out of the profits of the Company for each financial year: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) ten per cent (10%) as reserve ("**Statutory Reserve**"); and (iv) a special surplus reserve as required by the applicable securities authority of the ROC under the Applicable Public Company Rules.
- The remaining balance, if any, together with a part or whole of accumulated undistributed profits in the previous years, subject to the Law and the Applicable Public Company Rules and after having considered the financial, business and operational factors of the Company, may be distributed as dividends to Members in proportion to their shareholdings in the amount of no less than ten per cent (10%) of profit after tax of the relevant year. In the

event that dividends are distributed to Members in a combination of share dividend and cash dividend, cash dividend shall be no less than ten per cent (10%) of the total dividends.

- 14.7** The Company may distribute interim dividend in accordance with a proposal for profits distribution approved by the Board, provided that if the interim dividend will be distributed by way of applying such sum in paying up in full unissued shares, in addition to the approval of the Board, such distribution shall also be sanctioned by the Members by a Supermajority Resolution in a general meeting.
- 14.8** For the distribution of interim dividends, the proposal of surplus earning distribution or loss off-setting for the first half of the financial year, together with the business report and financial statements (which shall be audited or reviewed by a certified public accountant in accordance with the Applicable Public Company Rules), shall be submitted to the Audit Committee for approval, and then, be submitted to the Board for approval.
- 14.9** When the Company makes the interim distribution, the Company shall (a) estimate and reserve all payable taxes, (b) offset losses incurred in previous years, and (c) reserve the Statutory Reserve (unless the Statutory Reserve has reached the total paid-up capital of the Company).
- 14.10** The Board shall fix any date as the record date for determining the Members entitled to receive any dividend or other distribution.
- 14.11** For the purpose of determining Members entitled to receive payment of any dividend or other distributions, the Directors may provide that the Register of Members be closed for transfers for five (5) days before the relevant record date or such other period consistent with the Applicable Public Company Rules subject to compliance with the Law.
- 14.12** No unpaid dividend shall bear interest as against the Company.

## **15. Reserve and Power to Set Aside Profits**

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

## **16. Method of Payment**

- 16.1** Any dividend, interest, or other monies payable in cash in respect of the shares may be paid by wire transfer to the Member's designated account or by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct.
- 16.2** In the case of joint holders of shares, any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the holder may in writing direct. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 16.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the payment of any dividend shall comply with the Applicable Public Company Rules and the Law.

## **17. Capitalisation**

Subject to the Applicable Law and Article 12.3(a), the Board may, with the authority of a Supermajority Resolution, capitalise any sum for the time being standing to the credit of the Capital Reserve, or any sum standing to the credit of the Statutory Reserve which exceeds twenty five per cent (25%) of the issued share capital or any sum standing to the credit of other reserves which are available and permitted for distribution under Applicable Public Company Rules by applying such sum in paying up unissued shares to be allotted as fully paid shares to the Members in proportion to their respective shareholdings in the Company.

## **MEETINGS OF MEMBERS**

### **18. Annual General Meetings**

- 18.1** The Company shall hold a general meeting as its annual general meeting within six months following the end of each fiscal year, which shall be called by the Board.
- 18.2** Subject to Article 18.1, the annual general meeting of the Company may be held at such time and place as the Board shall determine.
- 18.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, unless otherwise provided by the Law, the general meetings shall be held in the ROC. If the Board resolves to hold a general meeting outside the ROC, the Company shall apply for the approval of the TSE/TPEX within two days after the Board adopts such resolution. Where a general meeting is to be held outside the ROC, the Company shall engage a professional stock affairs agent in the ROC to handle the administration of such general meeting (including but not limited to the handling of the voting of proxies submitted by Members).

### **19. Extraordinary General Meetings**

- 19.1** General meetings other than annual general meetings shall be called extraordinary general meetings.
- 19.2** The Board may convene an extraordinary general meeting of the Company whenever in their judgment such a meeting is necessary or is desirable.
- 19.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Board shall on a Member's requisition as defined in Article 19.4 forthwith proceed to convene an extraordinary general meeting of the Company.
- 19.4** A Member's requisition set forth in Article 19.3 is a requisition of one or more Members of the Company holding in the aggregate at the date of deposit of the requisition not less than three per cent (3%) of the total number of issued shares of the Company which as at that date have been held by such Member(s) for at least one year.
- 19.5** The Member's requisition must state in writing the matters to be discussed at the extraordinary general meeting and the reason therefor.
- 19.6** If the Board does not within fifteen (15) days from the date of the deposit of the Member's requisition dispatch the notice of an extraordinary general meeting, the requisitionists may themselves convene an extraordinary general meeting in the same manner, as nearly as possible, as that in which general meetings may be convened by the Board. If it is proposed that the extraordinary general meeting be held outside the ROC, an application shall be submitted by such requisitionists to the TSE/TPEX for its prior approval.
- 19.7** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, any one or more Member(s) may summon an extraordinary general meeting, provided that such Member or Members shall hold more than fifty per cent. of the total issued shares of the Company for a continuous period of no less than three months. The number of the shares held by a Member and the period of which a Member holds such shares, shall be calculated and determined based on the Register of Members as of the first day of the period that the Register of Members shall be closed for transfers.
- 19.8** If the Board does not or is unable to convene a general meeting (including the annual general meeting) or it is for the Company's benefit, the Independent Director may convene a general meeting when he/she in his/her absolute discretion deems necessary.

## **20. Notice**

- 20.1** Before the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, at least five days' notice of a general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of business to be conducted at the meeting.
- 20.2** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, at least thirty (30) days' notice of an annual general meeting, and at least fifteen days' notice of an extraordinary general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the

general nature of the business to be considered at the meeting. The notice may, as an alternative, be given by means of electronic transmission, after obtaining a prior written consent from the recipient(s) thereof.

- 20.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Board shall fix a record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company in accordance with Applicable Public Company Rules and close its Register of Members accordingly in accordance with Applicable Public Company Rules.
- 20.4** Subject to Article 23.4, the accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 20.5** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Company shall announce to the public the notice of a general meeting, the proxy instrument, agendas and materials relating to the matters to be reported and discussed in the general meetings, including but not limited to, election or discharge of Directors, in accordance with Article 20.2 hereof, and shall transmit the same via the Market Observation Post System in accordance with Applicable Public Company Rules. If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document for the Member to exercise his voting power together with the above mentioned materials in accordance with Article 20.2. The Directors shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be made available to all Members and shall be transmitted to the Market Observation Post System in accordance with the Applicable Public Company Rules.
- 20.6** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the following matters shall be stated in the notice of a general meeting, with a summary of the major content to be discussed, and shall not be proposed as an extemporary motion:
- (a) election or discharge of Directors,
  - (b) alteration of the Memorandum or Articles,
  - (c) capital deduction,
  - (d) application to terminate the public offering of the shares,
  - (e) (i) dissolution, Merger, Share Swap or Spin-off, (ii) entering into, amending, or terminating any Lease Contract, Management Contract or Joint Operation Contract, (iii) transfer of the whole or any essential part of the business or assets of the Company, and (iv) acquisition or assumption of the whole of the business or assets of another person, which has a material effect on the operations of the Company,
  - (f) ratification of an action by Director(s) who engage(s) in business for himself or on behalf of another person that is within the scope of the Company's business,

- (g) distribution of the whole or part of the surplus profit of the Company in the form of new shares, capitalization of Capital Reserve and any other amount in accordance with Article 17,
- (h) making distributions of new shares or cash out of the Statutory Reserve , the premium received on the issuance of any shares and income from endowments received by the Company to its Members, and
- (i) Private Placement of any equity-related securities to be issued by the Company.

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

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

**20.8** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Company shall make available all the statements and records prepared by the Board and the report prepared by the Audit Committee which will be submitted to the Members at the annual general meeting at the Registered Office (if applicable) and its stock affairs agent located in the ROC ten (10) days prior to such annual general meeting in accordance with Applicable Public Company Rules. Members may inspect and review the foregoing documents from time to time and may be accompanied by their lawyers or certified public accountants for the purpose of such inspection and review.

**20.9** If the general meeting is convened by the Board and other person entitled to convene a general meeting in accordance with these Articles or any applicable law, the Board and such person may request the Company or the Company's stock affairs agent to provide the Register of Members. Upon the request, the Company shall (and shall order the Company's stock affairs agent to) provide the Register of Members.

## **21. Giving Notice**

**21.1** Any Notice or document, whether or not to be given or issued under the Articles from the Company to a Member, shall be in writing either by delivering it to such Member in person or by sending it by letter mail or courier service to such Member at his registered address as appearing in the Register of Members or at any other address supplied by him to the

Company for the purpose or, as the case may be, by transmitting it to any such address. For the purposes of this Article, a notice may be sent via electronic means if so agreed to by the shareholder in writing.

- 21.2** Any Notice or other document shall be deemed to be effective when it is sent in accordance with Articles 20 and 21 of these Articles. Any Notice or document may be given to a Member either in the Chinese language or the English language, subject to due compliance with all Applicable Law, rules and regulations.

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

## **22. Postponement of General Meeting**

The Board may postpone any general meeting called in accordance with the provisions of the Articles provided that notice of postponement is given to each Member before the time for such meeting. A notice stating the date, time and place for the postponed meeting shall be given to each Member in accordance with the provisions of the Articles provided that in the event that the Members resolve to postpone the general meeting to a specified date which is not more than five days, Articles 20.1, 20.2, 20.3, 20.4, 20.5, 20.6 and 21 do not apply and notice of the adjournment shall not be required.

## **23. Quorum and Proceedings at General Meetings**

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

- 23.2** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Board shall submit business reports, financial statements and proposals for distribution of profits or allocation of losses prepared by it for the purposes of annual general meetings of the Company for ratification by the Members in a manner consistent with the Applicable Public Company Rules. After ratification by the Members at the general meeting, the Board shall distribute copies of or announce to the public the ratified financial statements and the Company's resolutions on distribution of profits or allocation of losses, to each Member or otherwise make the same available to the Members in accordance with the Applicable Public Company Rules.

- 23.3** Unless otherwise provided in the Articles, a resolution put to the vote of the meeting shall be decided on a poll.

- 23.4** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, if and to the extent permitted under the Law, nothing in the Articles shall prevent any Member from initiating proceedings in a court of competent jurisdiction for an appropriate remedy in connection with the convening of any general meeting or the passage of any



resolution in violation of applicable laws or regulations or the Articles within 30 days after passing of such resolution. The Taiwan Taipei District Court, ROC, may be the court for adjudicating any disputes arising out of the foregoing.

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

**23.6** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, member(s) holding one per cent (1%) or more of the Company's total issued shares immediately prior to the relevant book close period, during which the Company closed its Register of Members, may propose to the Company in writing or any electronic means designated by the Company one matter for discussion at an annual general meeting. The Company shall give a public notice in such manner and at such time as permitted by Applicable Law specifying the place and a period of not less than ten (10) days for Members to submit proposals. Proposals submitted for discussion at an annual general meeting shall be included in the agenda of the annual general meeting by the Board unless (a) the proposing Member(s) holds less than one cent (1%) of the Company's total issued shares, (b) the matter of such proposal may not be resolved by a general meeting or the proposal exceeds 300 Chinese words; (c) the proposing Member(s) has proposed more than one proposal; or (d) the proposal is submitted to the Company outside the period fixed and announced by the Company for accepting Member(s)' proposal(s). If the purpose of the proposal is to urge the Company to promote public interests or fulfil its social responsibilities, the Board may accept such proposal to be discussed in general meeting.

**23.7** The rules and procedures of general meetings shall be established by the Board and approved by an Ordinary Resolution, and such rules and procedures shall be in accordance with the Law, these Articles and the Applicable Public Company Rules.

## **24. Chairman to Preside**

**24.1** In the event that the general meeting is convened by the Board, the Chairman shall act as chairman at all meetings of the Members at which such person is present. In his absence the Directors who are present at the meeting of Members shall elect one from among themselves to act as the chairman at such meeting in lieu of the Chairman.

**24.2** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the chairman at all meetings of the Members shall be appointed or elected in accordance with the Applicable Public Company Rules.

## **25. Voting on Resolutions**

**25.1** Subject to any rights, privileges or restrictions attached to any share, every Member who (being an individual) is present in person or by proxy or (in the case of a corporation or other non-natural person) by duly authorized corporate representative(s) or by proxy shall have one vote for every share of which he is the holder. A Member who holds shares for

benefit of others, need not use all his votes or cast all the votes he holds in the same way as he uses his votes in respect of shares he holds for himself. The qualifications, scope, methods of exercise, operating procedures and other matters with respect to exercising voting power separately shall comply with the Applicable Public Company Rules.

- 25.2** No person shall be entitled to vote at any general meeting or at any separate meeting of the holders of a class of shares unless he is registered as a Member on the record date for such meeting nor unless he has paid all the calls on all shares held by such Member.
- 25.3** Votes may be cast either in person or by proxy. A Member may appoint another person as his proxy by specifying the scope of appointment in the proxy instrument prepared by the Company to attend and vote at a general meeting, provided that a Member may appoint only one proxy under one instrument to attend and vote at such meeting.
- 25.4** Subject to the Law, for so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Board may determine that the voting power of a Member at a general meeting may be exercised by way of a written ballot or by way of electronic transmission; provided, however, that the Company shall provide the Members with a method for exercising their voting power by way of a written ballot or electronic transmission if a general meeting is to be held outside the ROC or otherwise required under the Applicable Public Company Rules. The method for exercising such voting power shall be described in the general meeting notice to be given to the Members if the voting power may be exercised by way of a written ballot or electronic transmission. Any Member who intends to exercise his voting power by way of a written ballot or by way of electronic transmission shall serve the Company with his voting decision at least two (2) days prior to the date of such general meeting. Where more than one voting decision are received from the same Member by the Company, the first voting decision shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous voting decision in the later-received voting decision. A Member who exercises his voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to vote his shares at the general meeting only in the manner directed by his written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, such Members voting in such manner shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting.
- 25.5** In the event any Member who intended to exercise his voting power by way of a written ballot or electronic transmission and has served his voting decision on the Company

pursuant to Article 25.4 hereof later intends to attend the general meetings in person, he shall, at least two (2) days prior to the date of such general meeting, serve the Company with a separate notice revoking his previous voting decision. Such separate notice shall be sent to the Company in the same manner (e.g., by courier, registered mail or electronic transmission, as applicable) as the previous voting decision under Article 25.4 was given to the Company. Votes by way of a written ballot or electronic transmission shall remain valid if the relevant Member fails to revoke his voting decision before the prescribed time.

**25.6** A Member who has served the Company with his voting decision in accordance with Article 25.4 for the purpose of exercising his voting power by way of a written ballot or by way of electronic transmission may appoint a person as his proxy to attend the meeting in accordance with the Articles, in which case the vote cast by such proxy shall be deemed to have revoked his previous voting decision served on the Company and the Company shall only count the vote(s) cast by such expressly appointed proxy at the meeting.

## **26. Proxies**

**26.1** The instrument of proxy shall be in the form approved by the Board from time to time and be expressed to be for a particular meeting only. The form of proxy shall include at least the following information: (a) instructions on how to complete such proxy, (b) the matters to be voted upon pursuant to such proxy, and (c) basic identification information relating to the relevant Member, proxy and the solicitor (if any). The form of proxy shall be provided to the Members together with the relevant notice for the relevant general meeting, and such notice and proxy materials shall be distributed to all Members on the same day.

**26.2** An instrument of proxy shall be in writing, be executed under the hand of the appointor, or, if the appointor is a corporation or other non-natural person, under the hand of an officer or attorney duly authorised for that purpose. A proxy need not be a Member of the Company.

**26.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, subject to the Applicable Public Company Rules, except for an ROC trust enterprise or stock affair agents approved pursuant to Applicable Public Company Rules, save with respect to the Chairman being deemed appointed as proxy under Article 25.4, in the event a person acts as the proxy for two or more Members, the total number of issued and voting shares entitled to be voted as represented by such proxy shall be no more than three per cent (3%) of the total number of issued and voting shares of the Company immediately prior to the relevant book closed period, during which the Company close its Register of Member; any vote in respect of the portion in excess of such three per cent (3%) threshold shall not be counted.

**26.4** In the event that a Member exercises his voting power by way of a written ballot or electronic transmission and has also authorised a proxy to attend a general meeting, then the voting power exercised by the proxy at the general meeting shall prevail. In the event that any Member who has authorised a proxy to attend a general meeting later intends to

attend the general meeting in person or to exercise his voting power by way of a written ballot or electronic transmission, he shall, at least two (2) days prior to the date of such general meeting, serve the Company with a separate notice revoking his previous appointment of the proxy. Votes by way of proxy shall remain valid if the relevant Member fails to revoke his appointment of such proxy before the prescribed time.

- 26.5** The instrument of proxy shall be deposited at the Registered Office or the office of the Company's stock affairs agent in the ROC or at such other place as is specified for that purpose in the notice convening the meeting, or in any instrument of proxy sent out by the Company not less than five (5) days before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, save with respect to the Chairman being deemed appointed as proxy under Article 25.4. Where more than one instrument to vote are received from the same Member by the Company, the first instrument received shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous proxy in the later-received instrument.

## **27. Proxy Solicitation**

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

## **28. Dissenting Member's Appraisal Right**

- 28.1** Subject to compliance with the Law, in the event any of the following resolutions is passed at general meetings, any Member who has abstained from voting in respect of such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the meeting, may request the Company to purchase all of his shares at the then prevailing fair price:

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

- 28.2** Without prejudice to the Law, any Member exercising his rights in accordance with Article 28.1 (the "**Dissenting Member**") shall, within twenty (20) days from the date of the resolution passed at the general meeting, give his written notice of objection with the

repurchase price proposed by him. If the Company and the Dissenting Member agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall make the payment within ninety (90) days from the date of the resolution passed at the general meeting. If, within ninety (90) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall pay the fair price it deems fit to the Dissenting Member within ninety (90) days from the date of the resolution passed at the general meeting. If the Company fails to pay the fair price it deems fit to the Dissenting Member within the ninety-day period, the Company shall be deemed to agree on the repurchase price proposed by such Dissenting Member.

**28.3** Without prejudice to the Law, if, within sixty (60) days from the date of resolution of the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase such Dissenting Member's shares, then, within thirty (30) days immediately following the date of the expiry of such sixty-day period, the Company shall file a petition with the court against all the Dissenting Members for a determination of the fair price of the shares held by all the Dissenting Members. The Taiwan Taipei District Court, ROC, may be the court of the first instance for this matter.

Notwithstanding the above provisions under this Article 28, nothing under this Article shall restrict or prohibit a Member from exercising his right under section 238 of the Law to payment of the fair value of his shares upon dissenting from a merger or consolidation.

## **29. Shares that May Not be Voted**

### **29.1** Shares held:

- (a) by the Company itself;
- (b) by any entity in which the Company owns, legally or beneficially, more than fifty per cent (50%) of its total issued and voting share or share capital; or
- (c) by any entity in which the Company, together with (i) the holding company of the Company and/or (ii) any Subsidiary of (a) the holding company of the Company or (b) the Company owns, legally or beneficially, directly or indirectly, more than fifty per cent (50%) of its issued and voting share or share capital.

shall not carry any voting rights nor be counted in the total number of issued shares at any given time but only for so long as the circumstances as set out in sub-paragraphs (a) to (c) (as applicable) above continue.

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

The aforementioned Member shall also not vote on behalf of any other Member.

**29.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, if the number of shares pledged by a Director at any time amounts to more than 50% of the total shares held by such Director at the time of his latest appointment, such pledged shares exceeding 50% of the total shares held by such Director at the time of his latest appointment, up to 50% of the total number of shares held by the Director at the time of his latest appointment, shall not carry any voting rights and such above-threshold shares shall not be counted in determining the number of votes of the Members present at a general meeting but shall be counted towards the quorum of the general meeting.

### **30. Voting by Joint Holders of Shares**

In the case of joint holders, the joint holders should appoint among themselves one person to exercise the rights of a shareholder pursuant to the Applicable Public Company Rules. In case no agreement is reached among the joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

### **31. Representation of Corporate Member**

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

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

### **32. Adjournment of General Meeting**

The chairman of a general meeting may, with the consent of a majority in number of the Members present at any general meeting at which a quorum is present, and shall if so directed, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned and the meeting is adjourned for more than five (5) days, a notice stating the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of the Articles.

### **33. Directors Attendance at General Meetings**

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

general meeting.

## **DIRECTORS AND OFFICERS**

### **34. Number and Term of Office of Directors**

- 34.1** There shall be a Board consisting of no less than five (5) and no more than nine (9) persons. The term of office for each Director shall not exceed a period of three (3) years provided that in the event the expiration of the term of office of such Directors would otherwise leave the Company with no Directors, the term of office of such Directors shall be extended automatically to the date of the general meeting next following the expiration of such term, at which new Directors will be elected to assume office. Directors may be eligible for re-election. The Company may from time to time by Special Resolution increase or reduce the number of Directors, subject to the foregoing and the Applicable Law.
- 34.2** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the number of Directors having a spousal relationship or familial relationship within the second degree of kinship with any other Directors shall be less than half of the total number of Directors.
- 34.3** In the event that the Company convenes a general meeting for the election of Directors and any of the Directors elected does not meet the requirements provided in Article 34.2 hereof, the non-qualifying Director(s) who was elected with the fewest number of votes shall be deemed not to have been elected, to the extent necessary to meet the requirements provided for in Article 34.2 hereof. Any person who has already served as a Director but is in violation of the aforementioned requirements shall be automatically discharged from his office effective from such violation without any action required on behalf of the Company.
- 34.4** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, unless otherwise permitted under the Applicable Public Company Rules, there shall be at least three (3) Independent Directors and the number of Independent Directors shall not be less than one-fifth of the total number of Directors. To the extent required by the Applicable Public Company Rules, at least one of the Independent Directors shall be domiciled in the ROC and at least one of them shall have accounting or financial expertise. Before the shares are listed on the TPEX or the TSE in Taiwan, the Board may resolve that the Company shall hold an election of Independent Director(s) at the general meeting.
- 34.5** The Directors (including Independent Directors and Directors other than Independent Directors) shall be nominated by adopting the candidate nomination system specified in the Applicable Public Company Rules for so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan.
- 34.6** Independent Directors shall have professional knowledge and shall maintain independence within the scope of their directorial duties, and shall not have any direct or indirect interests in the Company. The professional qualifications, restrictions on shareholdings

and concurrent positions, and assessment of independence with respect to Independent Directors shall be consistent with the Applicable Public Company Rules.

### **35. Election of Directors**

**35.1** The Company may at a general meeting elect any person to be a Director, which vote shall be calculated in accordance with Article 35.2 below. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to elect one or more Directors.

**35.2** The Director(s) shall be elected by Members upon a **poll vote by way of cumulative voting** (the manner of voting described in this Article to be referred to as "**Cumulative Voting**") in the following manner:

- (a) on an election of Directors, the numbers of votes attached to each voting share held by a Member shall be cumulative and correspond to the number of Directors nominated for appointment at the general meeting;
- (b) the Member(s) may vote all or part of their cumulated votes in respect of one or more Director candidates;
- (c) such number of Director candidates receiving the highest number of votes in the same category (namely, independent or non-independent) of Directors to be elected shall be appointed; and
- (d) where two or more Director candidates in the same category receive the same number of votes and as a result the total number of new Directors in such category intended to be appointed is exceeded, there shall be a draw by such Director candidates receiving the same number of votes to determine who shall be appointed; the chairman of the meeting shall draw for a Director nominated for appointment who is not present at the general meeting.

**35.3** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, if the number of Independent Directors is less than three (3) persons due to the resignation or removal of such Independent Directors for any reason, the Company shall hold an election of Independent Directors at the next following general meeting. If all of the Independent Directors are resigned or removed, the Board shall hold, within sixty (60) days from the date of resignation or removal of last Independent Director, a general meeting to elect succeeding Independent Directors to fill the vacancies.

**35.4** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, if the number of Directors is less than seven (7) persons due to the vacancy of Director(s) for any reason, the Company shall call an election of Director(s) at the next following general meeting to fill the vacancies. When the number of vacancies in the Board of the Company equals to one third of the total number of Directors elected, the Board shall hold, within sixty (60) days from the date of the occurrence of vacancies, a general meeting to elect succeeding Directors to fill the vacancies.



**35.5** Any corporation (or other legal entity) which is a Member shall be entitled to appoint such person or persons as its representative to be elected as a Director (the "Appointed Representative"). The election of an Appointed Representative as a Director is subject to the approval of Members in accordance with the provisions of this Article 35.

**35.6** Where the Appointed Representative has been elected as a Director of the Company, the corporation (or other legal entity) which is a Member which has appointed the Appointed Representative to be elected as a Director, may at any time, serve notice on the Company giving notice to replace the Appointed Representative with another person. Such replacement of the Appointed Representative as a Director (the "**Replacement**") shall take effect from the date specified in the notice or in the absence of such date, from the date on which the notice was served on the Company, and will not require any shareholders' approval. Accordingly, Articles 35.1, 35.2 and 35.5 do not apply in respect of the Replacement.

### **36. Removal of Directors**

**36.1** The Company may from time to time by Supermajority Resolution remove any Director from office. Where re-election of all Directors is effected prior to the expiration of the term of office of existing Directors, the term of office of all current Directors is deemed to have expired on the date of the re-election or any other date as otherwise resolved by the Members at the general meeting if the Members do not resolve that all current Directors will only retire at the expiration of their present term of office. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to re-elect all Directors. If the term of office of all Directors expires at the same time and no general meeting was held before such expiry for re-election, their term of office shall continue and be extended to such time when new Directors are elected or re-elected in the next general meeting and they commence their office.

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

### **37. Vacation of Office of Director**

**37.1** The office of Director shall be vacated:

- (a) if the Director is removed from office pursuant to the Articles;
- (b) if the Director dies;

- (c) if the Director is automatically discharged from his office in accordance with Article 34.3;
- (d) if the Director resigns his office by notice in writing to the Company;
- (e) if the Director is the subject of a court order for his removal in accordance with Article 36.2; or
- (f) with immediate effect without any action required on behalf of the Company if
  - (i) the Director has been adjudicated bankrupt or the court has declared a liquidation process in connection with the Director, and such Director has not been reinstated to his rights and privileges;
  - (ii) an order is made by any competent court or official on the grounds that the Director has no legal capacity, or his legal capacity is restricted according to Applicable Law;
  - (iii) the Director has been adjudicated of the commencement of assistantship (as defined under the ROC Civil Code) or similar declaration and such assistantship/declaration has not been revoked yet;
  - (iv) the Director has committed an offence as specified in the ROC statute of prevention of organizational crimes and subsequently has been adjudicated guilty by a final judgment, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than five years, or (D) was pardoned for less than five years;
  - (v) the Director has committed an offence in terms of fraud, breach of trust or misappropriation and subsequently has been punished with imprisonment for a term of more than one year, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years;
  - (vi) the Director has been adjudicated guilty by a final judgment for committing offenses under the ROC Anti-Corruption Act, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years; or
  - (vii) the Director has been dishonored for use of credit instruments, and the term of such sanction has not expired yet.

In the event that any of the foregoing events specified in Article 37(f) has occurred in relation to a candidate for election of Director, such person shall be disqualified from being elected as a Director.

- 37.2** In case a Director (other than an Independent Director) has, during the term of office as a Director, transferred more than one half of the Company's shares being held by him at the time he is elected, he shall, ipso facto, be removed automatically from the position of Director with immediate effect and no shareholders' approval shall be required.
- 37.3** If any Director (other than an Independent Director) has, after having been elected as a Director and before his inauguration of the office of director, transferred more than one half of the Company's shares being held by him at the time of his election as a Director, then he shall immediately cease to be a Director and no shareholders' approval shall be required. If any Director (other than an Independent Director) has, after having been elected as a Director, transferred more than one half of the Company's shares then being held by him within the share transfer prohibition period prior to a shareholders' meeting according to the Applicable Public Company Rules, then he shall immediately cease to be a Director and no shareholders' approval shall be required.

### **38. Compensation of Directors**

- 38.1** For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Board shall, in accordance with the Applicable Public Company Rules, establish a Compensation Committee comprised of at least three members, one of whom shall be an Independent Director. The professional qualifications of the members of the Compensation Committee, the responsibilities, powers and other related matters of the Compensation Committee shall comply with the Applicable Public Company Rules. Upon the establishment of the Compensation Committee, the Board shall, by a resolution, adopt a charter for the Compensation Committee the provisions of which shall be consistent with the Applicable Public Company Rules. Before the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Board may resolve to establish a Compensation Committee.
- 38.2** The compensation referred in the preceding Article shall include the compensation, stock option and other incentive payments of Directors and managers of the Company.
- 38.3** The compensation of the Directors may be decided by the Board by reference to recommendation made by the Compensation Committee (if established), the standard generally adopted by other enterprises in the same industry, and shall be paid in cash only. The Directors may also be paid all travel, hotel and other expenses properly incurred by them in attending and returning from the meetings of the Board, any committee appointed by the Board, general meetings of the Company, or in connection with the business of the Company or their duties as Directors generally. A Director is also entitled to distribution of profits of the Company if permitted by the Law, the Applicable Public Company Rules, the service agreement or other similar contract that he/she has entered into with the Company.

### **39. Defect in Election of Director**

Subject to Article 23.4 and the Applicable Law, all acts done in good faith by the Board or by a committee of the Board or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the election of any Director, or that they or any of them were disqualified, be as valid as if every such person had been duly elected and was qualified to be a Director.

#### **40. Directors to Manage Business**

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

#### **41. Powers of the Board of Directors**

Without limiting the generality of Article 40 and subject to the Applicable Law, the Board may:

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

directions as the Board shall impose on them. Subject to any directions or regulations made by the Directors for this purpose, the meetings and proceedings of any such committee shall be governed by the provisions of the Articles regulating the meetings and proceedings of the Board;

- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board sees fit;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;
- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law; and
- (k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any agreement, document or instrument on behalf of the Company.

#### **42. Register of Directors and Officers**

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

- (a) first name and surname; and
- (b) address.

**42.2** The Board shall, within the period of thirty days from the occurrence of:-

- (a) any change among its Directors and Officers; or
- (b) any change in the particulars contained in the Register of Directors and Officers, cause to be entered on the Register of Directors and Officers the particulars of such change and the date on which such change occurred, and shall notify the Registrar of Companies in accordance with the Law.

#### **43. Officers**

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

#### **44. Appointment of Officers**

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

#### **45. Duties of Officers**

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

#### **46. Compensation of Officers**

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

#### **47. Conflicts of Interest**

- 47.1** Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company and such Director or such Director's firm, partner or company shall be entitled to compensation as if such Director were not a Director; provided that this Article 47.1 shall not apply to Independent Directors.
- 47.2** Notwithstanding anything to the contrary contained in this Article 47, a Director who is directly or indirectly interested in any matter under discussion at a meeting of the Directors or a contract or proposed contract or arrangement with the Company shall declare the nature and the essential contents of such interest at the relevant meeting of the Directors as required by the Applicable Law. If the Company proposes to enter into any transaction specified in Article 28.1 or effect other forms of mergers and acquisitions in accordance with Applicable Law, a director who has a personal interest in such transaction shall declare the essential contents of such personal interest and the reason why he believes that the transaction is advisable or not advisable at the relevant meeting of the Directors and the general meeting as required by the Applicable Law. Where the spouse, the person related to a Director by blood and within the second degree (as defined under the ROC Civil Code), or any company which has a controlling or controlled relationship with a Director has interests in the matters under discussion in the meeting of the Directors, such Director shall be deemed to have a personal interest in the matter. The terms "controlling" and "controlled" shall be interpreted in accordance with the Applicable Public Company Rules.
- 47.3** Notwithstanding anything to the contrary contained in this Article 47, a Director who has a personal interest in the matter under discussion at a meeting of the Directors, which may conflict with and impair the interest of the Company, shall not vote nor exercise voting rights on behalf of another Director; the voting right of such Director who cannot vote or exercise any voting right as prescribed above shall not be counted in the number of votes of Directors present at the board meeting.
- 47.4** Notwithstanding anything to the contrary contained in this Article 47, a Director who is engaged in anything on his own account or on behalf of another person, which is within the scope of the Company's business, shall explain to the Members in a general meeting the essential contents of such conduct and seek their approval by Supermajority Resolution.

#### **48. Indemnification and Exculpation of Directors and Officers**

- 48.1** The Directors and Officers of the Company and any trustee for the time being acting in relation to any of the affairs of the Company and every former director, officer or trustee and their respective heirs, executors, administrators, and personal representatives (each of which persons being referred to in this Article as an "indemnified party") shall be indemnified and secured harmless out of the assets of the Company from and against all

actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud, dishonesty or breach of duties provided under Article 48.4 which may attach to any of the said persons.

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

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

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

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

**48.4** Without prejudice and subject to the general directors' duties that a Director owe to the Company and its shareholders under common law principals and the laws of the Cayman Islands, a Director shall perform his fiduciary duties of loyalty and due care of a good administrator in the course of conducting the Company's business, and shall indemnify

the Company, to the maximum extent legally permissible, from any loss incurred or suffered by the Company arising from breach of his fiduciary duties. If a Director has made any profit for the benefit of himself or any third party as a result of any breach of his fiduciary duties, the Company shall, if so resolved by the Members by way of an Ordinary Resolution, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover such profit from such relevant Director. If a Director has, in the course of conducting the Company's business, violated any laws or regulations that causes the Company to become liable for any compensation or damages to any person, such Director shall become jointly and severally liable for such compensation or damages with the Company and if any reason such Director is not made jointly and severally liable with the Company, such Director shall indemnify the Company for any loss incurred or suffered by the Company caused by a breach of duties by such Director. The Officers, in the course of performing their duties to the Company, shall assume such duties and obligations to indemnify the Company in the same manner as if they are Directors.

## **MEETINGS OF THE BOARD OF DIRECTORS**

### **49. Board Meetings**

- 49.1** Board meetings shall be convened by the Chairman, and the Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit.
- 49.2** The Company shall hold regular meetings of the Board at least on a quarterly basis and for so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, such meetings shall be held in compliance with the Applicable Public Company Rules.
- 49.3** A resolution shall be passed by a majority vote of the Directors present at the meeting and entitled to vote on such resolution, and in the case of equality of votes the resolution shall fail. For these purposes, where Directors present and entitled to vote at the meeting do not cast a vote at the meeting, such Directors will be deemed to vote against the resolution.

### **50. Notice of Board Meetings**

- 50.1** The Chairman may, and the Secretary on the requisition of the Chairman shall, at any time summon a meeting of the Board.
- 50.2** Before the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, at least 48 hours prior notice shall be given for any meeting of the Board provided that in the case of urgent circumstances as agreed by more than one-half of the total number of the Directors, a meeting of the Board may be convened on short notice, or be held anytime after notice has been given to every Director or be convened without prior notice if all Directors agree. For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, to convene a meeting of the Board, a notice setting forth therein the



matters to be considered and if appropriate, approved at the meeting shall be given to each Director no later than seven (7) days prior to the scheduled meeting date. However, in the case of emergency as agreed by more than one-half of the total number of the Directors, the meeting may be convened with a shorter notice period in a manner consistent with the Applicable Public Company Rules. For the purposes of this Article, a notice may be sent via electronic means if so agreed to by the Directors.

**51. Participation in Meetings by Video Conference**

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

**52. Quorum at Board Meetings**

The quorum for a meeting of the Board shall be more than one-half of the total number of the Directors.

**53. Board to Continue in the Event of Vacancy**

The Board may act notwithstanding any vacancy in its number.

**54. Chairman to Preside**

The Chairman, if there be one, shall act as chairman at all meetings of the Board at which such person is present. In his absence a chairman shall be appointed or elected in accordance with the Applicable Public Company Rules.

**55. Validity of Prior Acts of the Board**

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

**CORPORATE RECORDS**

**56. Minutes**

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

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

**57. Register of Mortgages and Charges**

**57.1** The Directors shall cause to be kept the Register of Mortgages and Charges required by the Law.

**57.2** The Register of Mortgages and Charges shall be open to inspection by Members and

creditors in accordance with the Law, at the Registered Office on every business day in the Cayman Islands, subject to such reasonable restrictions as the Board may impose, so that not less than two (2) hours in each such business day be allowed for inspection.

## **58. Form and Use of Seal**

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

## **TENDER OFFER AND ACCOUNTS**

### **59. Tender Offer**

For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, within fifteen (15) days after the receipt of the copy of a tender offer application form and relevant documents by the Company or its Litigious and Non-Litigious Agent, the Board shall resolve to recommend to the Members whether to accept or object to the tender offer and make a public announcement of the following:

- (a) the types and number of the shares held by the Directors and the Members holding more than ten per cent (10%) of the total issued shares in their own names or in the names of other persons.
- (b) the result of the verification on the identity and the financial conditions of the offeror, the fairness of the tender offer conditions and the reasonableness of the offeror's fund source, and recommendations to the Members on the tender offer, which shall set forth the Directors' specific consenting or dissenting opinions on 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 ten per cent (10%) of the total number of issued shares held in their own names or in the name of other persons.

## **60. Books of Account**

**60.1** The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
- (b) all sales and purchases of goods by the Company; and
- (c) all assets and liabilities of the Company.

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

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

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

## **61. Financial Year End**

Unless the Directors otherwise specify, the financial year of the Company:

- (a) shall end on 31st December in the year of its incorporation and each following year; and
- (b) shall begin when it was incorporated and on 1st January each following year.

## **AUDIT COMMITTEE**

### **62. Number of Audit Committee Members**

For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Board shall set up an Audit Committee. The Audit Committee shall comprise solely of Independent Directors and all Independent Directors shall be members of the Audit Committee. The number of Audit Committee members shall not be less than three (3). One of the Audit Committee members shall be appointed as the convener to convene meetings of the Audit Committee and at least one of the Audit Committee members shall have accounting or financial expertise. The meetings of the Audit Committee shall be convened at least once every quarter and may be convened from time to time as necessary. A valid resolution of the Audit Committee requires approval of one-half or more of all its members. Before the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Board may resolve to establish an Audit Committee.

### **63. Powers of Audit Committee**

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

- (a) adoption of or amendment to an internal control system;
- (b) assessment of the effectiveness of the internal control system;
- (c) adoption of or amendment to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others;
- (d) any matter relating to the personal interest of the Directors;
- (e) a material asset or derivatives transaction;
- (f) a material monetary loan, endorsement, or provision of guarantee;
- (g) the offering, issuance, or Private Placement of any equity-related securities;
- (h) 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 annual and semi-annual/second quarter financial reports (if applicable under the Applicable Public Company Rules); and
- (k) any other matter so determined by the Company from time to time or required by any competent authority overseeing the Company.

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

**63.2** Subject to the Applicable Law and to the extent permitted under the laws of the Cayman Islands, the Independent Directors of the Audit Committee shall supervise the execution of business operations of the Company, and may at any time or from time to time investigate the business and financial conditions of the Company, examine, review or make copies of the accounting books and documents, and request the Board or officers to report on matters referred to above. Subject to the Applicable Law and to the extent permitted under the laws of the Cayman Islands, the Board may authorise any Independent Director of the Audit Committee to appoint on behalf of the Company, a practicing lawyer and independent auditors to conduct the examination.

**63.3** The Audit Committee shall audit the various financial statements and records prepared by the Board for submission to the general meeting, and shall report their findings and opinions at such meeting.

**63.4** Subject to compliance with the Law, before the meeting of Directors resolves any matter

specified in Article 28.1 or other mergers and acquisitions in accordance with the Applicable Law, the Audit Committee shall review the fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the meeting of Directors and the general meeting; provided, however, that such review results need not be submitted to the general meeting if the approval of the Members is not required under the Applicable Law. When the Audit Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share swap ratio, cash consideration or other assets to be offered to the Members. The review results of the Audit Committee and the fairness opinion issued by the independent expert shall be distributed to the Members, along with the notice of the general meeting; provided, however, that the Company can only report matters relating to such merger and acquisition at the next following general meeting if the approval of the Members is not required under the Applicable Law. Such review results and fairness opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the FSC and made available to the Members for their inspection and review at the venue of the general meeting.

#### **VOLUNTARY DISSOLUTION AND WINDING-UP**

##### **64. Voluntary Dissolution and Winding-Up**

**64.1** The Company may be voluntarily wound-up in accordance with Article 12.4.

**64.2** If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members subject to the Applicable Law. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

#### **CHANGES TO CONSTITUTION**

##### **65. Changes to Articles**

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

#### **LITIGIOUS AND NON-LITIGIOUS AGENT**

##### **66. Appointment of Litigious and Non-Litigious Agent**

For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the Company shall appoint a Litigious and Non-Litigious Agent pursuant to the Applicable Law to act as the Company's responsible person in the ROC under the Securities and Exchange Law of the ROC to handle matters stipulated in the Securities and Exchange Law of the ROC and the relevant rules and regulations thereto. The Litigious and Non-Litigious Agent shall be an individual who has a residence or domicile in the ROC.

## **OTHERS**

### **67. ROC Securities Laws and Regulations**

For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in Taiwan, the qualifications, composition, appointment, removal, exercise of functions and other matters with respect to the Directors, Independent Directors, Compensation Committee and Audit Committee which are required to be followed by the Company shall comply with the applicable ROC securities laws and regulations.

### **68. Delisting Resulted from Certain Events**

If the Company proposes to undertake:

- (a) a merger or consolidation which will result in the Company being dissolved;
- (b) a sale, transfer or assignment of all of the Company's assets and businesses to another entity;
- (c) a Share Swap; or
- (d) a Spin-off,

which would cause or result in the delisting of the Company from the TPEX or the TSE, and where (in the case of (a) above) the surviving entity, (in the case of (b) above) the transferee, (in the case of (c) above) the entity whose shares has been allotted in exchange for the Company's shares and, (in the case of (d) above) the existing or newly incorporated spun-off company is not a listed company on the TPEX or the TSE, then in addition to any requirements to be satisfied under the Law, such action shall be first approved at a general meeting by a resolution passed by members holding two-thirds or more of the votes of the total number of issued shares of the Company.

### **69. Social Responsibilities**

When the Company conducts the business, the Company shall comply with the laws and regulations as well as business ethics and may take actions which will promote public interests in order to fulfill its social responsibilities.

## Appendix 2

### **Jinan Acetate Chemical Co.,LTD.**

#### **Regulations Governing Derivatives Transactions Conducted**

##### 1.Purpose

In order to manage the company's various derivatives transactions in order to reduce the risks caused by changes in foreign exchange, interest rates, etc., these measures are specially formulated.

##### 2.Scope

The company's derivatives transactions shall be handled in accordance with the relevant provisions of these Measures.

##### 3.Reference

- 3.1 This processing procedure is determined in accordance with the " Regulations Governing the Acquisition and Disposal of Assets by Public Companies" by the Financial Supervisory Commission).

##### 4.Definition

- 4.1 Derivatives : Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

##### 5.Content

###### 5.1 Trading principles and strategies

###### 5.1.1 Transaction type

The scope of the company's derivative commodity transactions is limited to forward contracts and option contracts that use exchange rates and interest rates. Transaction contracts derived from other commodities must be approved by the board of directors before they can be implemented.

###### 5.1.2 Operation and hedging strategy

- (1).Engaging in derivative commodity transactions is limited to avoiding risks (not for trading purposes), and the currency held

must be consistent with the company's actual foreign currency requirements for import and export transactions.

(2).The adopted hedging strategy is divided into two types: complete hedging and selective hedging, depending on the nature of the assets or liabilities to be hedged and expectations for the future.

(3).Regarding the credit market risk of various derivative products, due to the uncertainty of the financial, economic and political environment, it is difficult to make a reasonable and objective assessment, the relevant trading activities should be stopped.

### 5.1.3 Division of powers and responsibilities

The above-mentioned derivative commodity transactions must be evaluated and judged by the company's personnel who have a considerable degree of understanding of each commodity, and in accordance with the actual needs of the company's operations, and the decision is made by the authorized supervisor and the chairman of the board.

(1).Transaction execution: financial staff.

(2).Confirmation: accountant.

(3).Delivery: delivery personnel.

(4).Auditing: understand the appropriateness of internal controls such as the division of responsibilities and operating procedures, and check the compliance of the transaction unit with this processing procedure.

#### Derivative product verification authority

Nuclear power holder	Daily transaction limi	Cumulative net part
Accounting Supervisor	≤ USD 100,000	≤ USD 300,000
General manager	US\$100,000-500,000 (inclusive)	≤ USD 1 million
Chairman of the board	≥ USD 500,000	≤USD 2 million

If the company obtains or disposes of assets in accordance with the prescribed processing procedures or other legal provisions, it shall be approved by the board of directors. If a director expresses an objection and has a record or written statement, the company shall also send the information of the director's objection to each audit committee.



#### 5.1.4 Performance evaluation

The financial staff evaluates and reviews the operating performance on a regular basis, prepares an evaluation report in writing, and submits it to the authorized supervisor and chairman of the board, and sends it to the auditing unit for review.

#### 5.1.5 The total amount of the contract

The total amount of contracts related to foreign exchange hedging operations shall not exceed the total amount of the company's actual total foreign currency demand for import and export. Any excess shall be reported to the board of directors for approval.

#### 5.1.6 Upper limit of loss

The total contract loss limit for foreign exchange hedging operations is 10% of the transaction contract value, and the individual contract loss limit is 5% of the transaction contract value.

### 5.3 Risk management measures

#### 5.3.1 Credit management risk

Based on the changes in the market due to various factors, which may easily cause operational risks of derivative financial products, the operational risk management shall be carried out in accordance with the following principles: (1) Transaction object: the principle of the company's correspondent bank, if it needs to deal with other legal financial institutions, It should be submitted to the chairman of the board for approval in advance. (2) Commodity transactions: the principle is based on the commodities provided by the company's bank.

#### 5.3.2 Market risk management

Mainly based on the open foreign exchange and interest rate trading markets provided by banks, and the futures market is not considered for the time being.

#### 5.3.3 Liquidity risk management

In order to ensure market liquidity, when choosing financial products with higher liquidity (that is, they can be flattened in the market at any time), financial institutions entrusted with transactions must have sufficient information and the ability to trade in any market at any time.

#### 5.3.4 Cash flow risk management

In order to ensure the stability of the company's working capital turnover, the company's source of funds for derivative commodity transactions is limited to its own funds, and its operating amount should take into account the capital needs of the cash income and expenditure forecast in the next three months.

#### 5.3.5 Operational risk management

- (1) The authorized quota and operating procedures of these Measures should be strictly followed and included in the internal audit to avoid operating risks.
- (2) In principle, the transaction confirmation personnel and the delivery personnel engaged in derivative commodities shall not concurrently serve each other.
- (3) The registrant should check at any time whether the total transaction amount has exceeded the accumulated net position of foreign currency assets, liabilities and operating limits. If it exceeds, it must be reported to the relevant supervisor.
- (4) The risk measurement, supervision and control personnel should be different from those in the previous paragraph (2), and should report to the general manager who is not responsible for the transaction.

#### 5.3.6 Commodity risk management

Transaction personnel in the wealth management department should have complete and correct professional knowledge of financial products and require banks to fully disclose risks to avoid the risk of misuse of financial products.

#### 5.3.7 Legal risk management

When the financial product contract signed with a financial institution for the first time, or the content of the standard contract of the correspondent bank is changed, it should be reviewed by foreign exchange dealers and legal personnel before it can be officially signed to avoid legal risks.

### 5.4 Internal audit

- 5.4.1 The internal auditors should regularly understand the adequacy of the internal control of derivative commodity transactions, check the

compliance of the trading department with these measures on a monthly basis, analyze the transaction cycle, and prepare an audit report. If a major violation is found, the independent director should be notified in writing .

5.4.2 The internal auditors shall report the audit report and the implementation of the annual audit plan for internal audit operations to the Securities and Futures Commission before the end of February of the following year, and report the improvement of abnormal matters to the Securities and Exchange Commission for future reference by the end of May of the following year.

#### 5.5 Supervision and management of the board of directors

5.5.1 The company is engaged in derivative commodity transactions, and the board of directors shall indeed supervise and manage according to the following principles:

- (1) The designated general manager shall always pay attention to the supervision and control of derivative commodity transaction risks.
- (2) Regularly assess whether the performance of engaging in derivative commodity transactions conforms to the established business strategy and whether the risks assumed are within the scope of the company's tolerance.

5.5.2 The general manager authorized by the board of directors manages the trading of derivatives in accordance with the following principles:

- (1) Regularly assess whether the currently used risk management measures are appropriate, and indeed follow these regulations.
- (2) Supervise the transaction and profit and loss situation, and if any abnormality is found, it shall take necessary response measures and immediately report to the board of directors. The board of directors of the company shall have independent directors present and express their opinions.
- (3) When the company engages in derivative commodity transactions, it shall establish a reference book. The types and amounts of derivative commodity transactions, the date of approval by the board of directors and the matters of prudential assessment shall be published in the reference book for reference.

5.5.3 Regulations on the regular assessment of the position held by the derivative commodity exchange and the profit and loss situation:

- (1) The board of directors should authorize senior executives to regularly monitor and evaluate whether derivative commodity transactions are indeed handled in accordance with the transaction procedures set by the company, and whether the risks assumed are within the allowable scope and the market price evaluation report has abnormal conditions (such as: If the holding position has exceeded the loss limit), it should immediately report to the board of directors and take corresponding measures.
- (2) The positions held by derivative commodity exchanges should be evaluated at least once a week, but if the business requires hedging transactions, they should be evaluated twice a month, and the evaluation report should be submitted to the general manager.

5.5.4 The company engages in derivative commodity transactions and authorizes relevant personnel to handle it in accordance with the provisions of these Measures, and the relevant handling shall be reported to the latest board of directors afterwards.

## 5.6 Announcement and declaration

5.6.1 The company engaged in derivative commodity transactions to reach the maximum amount of all or individual contract losses stipulated in the prescribed processing procedures shall be declared and declared within two days from the date of the fact.

### 5.6.2 Announcement declaration procedure

- (1) The company shall submit relevant information on the website designated by the Securities and Futures Administration Commission for announcement and declaration.
- (2) The company shall enter the information reporting website designated by the FSC before the tenth of each month of the company and its non-domestic public offering subsidiaries engaged in derivative commodity transactions as of the end of the previous month in accordance with the prescribed format.
- (3) When the company is engaged in derivative commodity transactions in accordance with regulations, if there are errors or

omissions in the announcement and should be corrected, all the items shall be re-announced and declared.

#### 5.7 Penalties

When personnel involved in derivative commodity transactions violate these regulations, they shall be assessed in accordance with the company's personnel management regulations and employee handbooks, and be punished according to the severity of the circumstances.

#### 5.8 Implementation and revision

(1)When the company's " Regulations Governing Derivatives Transactions Conducted" is formulated or amended, it shall be approved by more than half of all members of the Audit Committee, and the board of directors shall make a resolution before submitting it to the shareholders meeting for approval; if it has not been approved by the Audit Committee If more than one-half of all members agree, more than two-thirds of all directors may agree to do so, and the resolution of the audit committee shall be stated in the minutes of the board of directors.

(2)If the company has set up independent directors, when submitting the " Regulations Governing Derivatives Transactions Conducted " to the board of directors for discussion, the opinions of the independent directors shall be fully considered, and the opinions and reasons for their agreement or opposition shall be included in the minutes of the meeting.

#### 5.9 These Rules were established on December 4, 2014

## Appendix 3

### **Jinan Acetate Chemical Co., Ltd.**

#### **Rules of Procedures for Shareholders Meetings**

##### Article 1 Basis

These Rules are established in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies of the place where the Company is listed in order to build a governance system for the Company's shareholders meeting, improve supervisory functions and reinforce management mechanism.

##### Article 2 Scope

The main agenda, procedure, matters to be included in the minutes, announcements and other compliance matters for the Company's shareholders meetings are governed by these Rules.

##### Article 3 Convening shareholders meetings

1. Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.
2. The Company shall prepare electronic files of the agenda and explanatory information such as shareholders meeting notice, proxies, relevant proposals for approvals and discussions and election or dismissal of directors and upload them to the Market Observation Post System 15 days before any general shareholders meeting or 15 days before a special shareholders meeting. Electronic files of shareholders meeting handbook and supplemental materials for the meeting shall be prepared and uploaded to the Market Observation Post System 21 days before a general shareholders meeting or 15 days before a special shareholders meeting. Shareholder meeting handbooks and supplemental materials for the meeting shall be put at the disposal of the shareholders and displayed in the Company and its shareholder services institution 15 days before the shareholders meeting and shall also be distributed at the site of the shareholders meeting.
3. The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
4. The election or dismissal of directors, change to the Articles of Association, company dissolution, merger or demerger and any matter listed under any subparagraph, first paragraph, Article 185 of the Company Act of the Republic of China (hereinafter the "Company Act") or Articles 26-1 and 43-6 of the Securities Transaction Act of the Republic of China must be listed in the agenda and shall not proposed under Questions and Motions.

5. A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.
6. Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
7. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.
8. Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

#### Article 4 Proxy form

1. For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.
2. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.
3. After a proxy is delivered to the Company, if the shareholder wishes to attend the shareholders meeting in person, a written revocation of the proxy shall be given to the Company 2 days before the shareholders meeting at the latest. If the revocation is given after this deadline, the voting right exercised by the proxy holder shall prevail.

#### Article 5 Principles of Shareholder Meeting Locations and Time Limits

The meeting of shareholders shall be held at the place of the company or at a place convenient for shareholders' attendance and suitable for the meeting of shareholders. The meeting shall not start earlier than 9:00 am

or later than 3:00 pm. The place and time of the convening should fully consider the opinions of independent directors..

#### Article 6 Attendance Register and Shareholder Attendance by Representation

1. This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.
2. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.
3. Shareholders or their representatives (hereinafter the "Shareholders") shall attend shareholders meetings upon presentation of attendance cards, attendance signup cards or other attendance documents. Solicitors of proxies shall also bring ID documents for verification.
4. This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
5. This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.
6. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

#### Article 7 Chairman of Shareholder Meetings and Substitute

1. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson 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 chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
2. When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.



3. For meetings convened by the board of directors should be attended by the majority of directors.
4. 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.
5. This Corporation 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 a shareholders meeting by audio or video

1. This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.
2. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9 Attendance and Voting in Shareholders Meetings

1. Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
2. The chairman shall announce the start of the meeting at the meeting time. However, if the attending shareholders represent less than the majority of all outstanding shares, the chairman may announce the meeting adjourned. There may be up to 2 adjournments. The time of adjournment shall not exceed a total of one hour. If the attending shareholders after 2 adjournments still represent less than 1/3 of all outstanding shares, the chairman shall announce the meeting failed.
3. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.
4. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10 Convening Shareholders Meetings and Agenda

1. If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.
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.
3. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including questions and 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.
4. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or questions and 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.

#### Article 11 Shareholder speech

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 will be set by the chair.
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.

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.

3. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
4. 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.
5. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

#### Article 12 Voting Shares

1. Voting at a shareholders meeting shall be calculated based the number of shares.
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.
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 this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
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.
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      Exercise of Voting Rights

1. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.
2. In shareholders meetings convened by the Company, voting rights may be exercised in writing or in an electronic manner. When voting rights are exercised in writing or in an electronic manner, the manner of exercise shall be specified in the notice of the shareholders meeting. Shareholders who exercise their voting rights in writing or in an electronic manner shall be deemed to have attended the shareholders meeting in person. However, these shareholders shall be deemed to have waived their rights for Questions and Motions, as well as amended versions to the original proposals.
3. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.
4. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of

retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

5. Unless otherwise provide by the Company Act or the Articles of Association of the Company, proposals submitted to voting shall be approved by the majority of voting rights represented by attending shareholders. At the time of vote, the chairman or chairman appointed person shall announce the total number of voting rights represented by attending shareholders for each proposal, followed by shareholder votes on each proposal. After the Company is listed, the results showing shareholder approval, rejection or waiver shall be keyed into the Market Observation Post System on the same day as the shareholders meeting.
6. If the chairman makes an enquiry to all shareholders about a proposal and there is no objection, the proposal shall be deemed approved, with the same effect as an approval by vote. If there is an objection, voting shall take place in the manner under the previous paragraph. Other than the proposals listed in the agenda, if the shareholder makes any other proposal or if there is an amendment or substitute proposal for any original proposal, such proposal shall be seconded by other shareholders. The shares held by the shareholder making the proposal and the other shareholders seconding the proposal shall represent at least 1% voting rights of all outstanding shares.
7. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
8. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.
9. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

#### Article 14 Election of Directors

1. The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

2. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15           Records of Shareholders Meetings

1. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
2. This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
3. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of this Corporation.

Article 16           Information Publication

1. On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.
2. If a matter resolved by shareholders meeting constitutes important information in accordance with the laws of the place where the Company is listed or as prescribed by the Taiwan Stock Exchange Corporation, after the Company is listed, the Company shall upload such matter to the Market Observation Post System before the prescribed deadline.

Article 17           Working Staff of Shareholders Meetings

1. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.
2. The chairman may direct disciplinary or security staff to help maintain the order on the meeting site. Disciplinary or security staff shall wear armbands or identification badges during maintenance of order on site.
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.

4. When a shareholder violates the rules of procedure and defies the chair's correction, 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            Break Time and Suspension of Shareholders Meeting

1. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
2. If the meeting venue is no longer available for continued use and not all of the items (including questions and motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.
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            Implementation and Revision

The establishment and revision of these Rules are subject to approvals by the board of directors and shareholders meeting.

These Rules were established on December 4, 2014

## Appendix 4

### Jinan Acetate Chemical Co., Ltd.

#### Shareholding of All Directors

1. The paid-in capital of the Company is NT\$510,767,000 and the outstanding shares are 49,992,700 shares. after excluding treasury shares.
2. The Company has established the audit committee, so it does not have any supervisor. As of the date of transfer suspension provided at the general meeting of shareholders this time, the shares actually held by all directors were 30,414,600 shares, which are 59.55% of total shares issued by the Company.

Date of transfer suspension: February 17, 2021

Title	Name	Date of Election	Term of Office	Current Shareholding	
				Number of Shares	Shareholding Rate %
Chairman	Bright Pearl Enterprise Ltd. Representative: Wang, Ko-Chang	2020/6/23	3 years	18,010,300	35.26
Director	Amacron Trading Ltd. Representative: Hsu, Cheng-Tsai	2020/6/23	3 years	3,756,100	7.36
Director	Macrifer Trading Sociedad Representative: Ericson Fensterseifer	2020/6/23	3 years	8,648,200	16.93
Director	Meng, Ching-Li	2020/6/23	3 years	0	0.00
Independent Director	Lin, Tzer-Jong	2020/6/23	3 years	0	0.00
Independent Director	Lin, Wen-Cheng	2020/6/23	3 years	0	0.00
Independent Director	Yu, Ching-Hsien	2020/6/23	3 years	0	0.00
Total				30,414,600	59.55

