

# Articles of Incorporation of KING CORE ELECTRONICS INC.

## Chapter 1 General Rules

- Article 1: The Company has been duly incorporated in accordance with the Company Act and named KING CORE ELECTRONICS INC.
- Article 2: The Company is engaged in the principal businesses specified below:
- I. CC01080 Electronic components manufacturing.
  - II. CA02990 Other metal products manufacturing.
  - III. ZZ99999 All business activities that are not prohibited or restricted by laws, except those that are subject to special approval.
- Article 3: The Company's headquarters is located Taoyuan City and may set up domestic or foreign branch offices as resolved by the Board of Director, if necessary.
- Article 4: For the purpose of its businesses, the Company has to handle matters on endorsement and guarantee in accordance with its external endorsement and guarantee rules.
- Article 5: The Company shall not be any other company's shareholders with unlimited liability or a partner of any partnership. If it is any other company's shareholders with limited liability, the total amount of its reinvestments in other companies has to exceed 40% of its paid-in capital, and the Board of Director shall be authorized to handle related matters.
- Article 6: The company's announcement method is in compliance with Article 28 of the Company Act.

## Chapter 2 Shares

- Article 7: The Company's total capital is set at NT\$1 billion, divided into 100 million shares at NT\$10 par value. The Board of Director is authorized to issue the shares in installments according to its resolutions.
- Of the aforementioned total capital, NT\$50 million is retained, and the amount of each share is NT\$10. Total 5 million shares are available to employees to subscribe warrants, special shares or corporate bonds with warrants, in order that the employees could exercise their rights to subscribe shares. These shares shall be issued in installments according to the resolutions of the Board of Director.
- The amount reserved in the total capital for converting corporate bonds as specified in Paragraph 1 shall be used by the Board of Director authorized per its resolution.
- Articles 7-1: According to Article 56-1 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers and Article 10-1 of the Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies, the Company shall issue employee stock options at a price below the closing price of the Company's ordinary shares on the issue date and transfer them to employees below the average price for redeeming

such shares with the consent of over two-thirds of voting rights of the shareholders present at a meeting attended by the Company's shareholders representing more than half the outstanding shares.

Article 8: The Company's shares shall be registered, affixed with the signature or seal of the director representing the Company and legally authenticated by the bank issuing share certificates prior to issuance. The Company may issue shares without printing physical stock and shall register these issued shares with a professional securities depository body in accordance with the regulations of such body.

Article 9: The registration and transfer of shares shall lawfully cease within 60 days before the general shareholders' meeting, 30 days before the extraordinary shareholders' meeting, or within 5 days before the ex-date for the company's distribution of dividends, bonuses or other benefits.

Article 10: Unless otherwise stipulated by laws or regulations, the Company's services shall be processed in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies provided by the competent securities management authority.

### Chapter 3 Shareholders' meeting

Article 11: The shareholders' meetings may be convened in regular sessions or special sessions. General shareholders' meetings will usually and lawfully be convened once a year within 6 months after the end of a fiscal year by the Board of Director. Special session may be convened at any time as needed. The Company may convene a shareholders' meeting by video conference or other means announced by the central competent authority.

Article 12: Any shareholder who is unable to attend the shareholders' meeting in person may appoint a proxy to attend each session of the General Meeting by presenting the authorization of proxy document prepared by the Company indicating the scope of authorization. Unless otherwise provided in the Company Act, the shareholders' attendance by proxy at shareholders' meetings shall be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" provided by the competent authority.

Article 13: The Company's shareholders have one voting right for each share held. However, the shares under the circumstances described in Article 179, Paragraph 2 of the Company Act do not have voting rights.

Article 14: The resolutions of a shareholders' meeting shall, unless otherwise provided by the Company Act, be adopted by a majority vote of the shareholders or proxies present, who represent more than half the total number of voting shares. By the competent authority, the shareholders may be allowed to exercise voting by electronic means. The resolutions reached in the shareholders' meeting must be documented in the minutes of the meeting in accordance with Article 183 of the Company Act.

Article 15: When a shareholders' meeting is convened by the Board of Director, the Chairman will act as a chairperson. When the Chairman is absent for a reason, the Chairman shall appoint one

Director as agent. If no such agent is appointed, the Directors shall elect one Director among themselves to be the chairperson. Where a shareholders' meeting is convened by any other convener, such convener shall act as Chairman. If there are more than two persons entitled to convene a shareholders' meeting, they shall elect either of them to be the Chairman.

## Chapter 4 Board of Directors and Audit Committee

- Article 16: The Company shall appoint 7 to 11 directors, who shall be capable persons of the shareholders' meeting. The directors shall be elected according to candidate nomination rules as stipulated in Article 192-1 of the Company Act. Each term of office is 3 years, and directors may be re-elected after their term of office expires. For corporate shareholders, their representatives shall be elected as directors. When a corporate shareholder has several representatives, all of its representatives shall be elected as directors and the corporate shareholder shall change its appointment from time to time based on their authority relationships for the remaining term of office. Total shareholding ratio of the Company's shareholders shall be determined according to rules of the securities management authority. Of the aforementioned directors, there shall be no less than 2 independent directors, who shall account for no less than one-fifth of all directors. The independent and non-independent directors shall be elected together pursuant to Article 198 of the Company Act. The number of these directors elected shall be separately counted.
- Article 16-1: The company may purchase liability insurance for the directors during their term of office for the compensation liabilities according to law during their execution of duties within the business scope.
- Article 16-2: The Company has the Audit Committee set-up in accordance with the Securities Exchange Act. The Audit Committee shall be composed by all independent directors. The Audit Committee or the Audit Committee members are responsible for carrying out the duties and responsibilities of supervisors as stipulated in the Company Act, Securities Exchange Act and other laws and regulations.
- Article 17: When the number of vacancies in the Directors equals one-third of the total number of directors or all Independent Directors are removed, the Board of Director shall call, within 60 days, a special shareholders' meeting to elect succeeding directors to fill the vacancies for the remaining service time of the dismissed directors.
- Article 18: The Board may convene via video conference and the Directors participating in the video conference shall be deemed attending the Board session in person. In case a director cannot attend a Board of Director meeting in person for a reason and appoints another director to attend the meeting on his/her behalf, he/she shall issue a written power of attorney, state therein the scope of authority with reference to the subjects to be discussed at the meeting, and entrust another director to act on his or her behalf. The proxy mentioned in the preceding paragraph is limited to only one proxy.
- Article 19: The Board of Directors' meetings shall be convened by directors and attended by over two-thirds of directors. A chairman shall be elected among the directors with the consent of

more than half directors present at the meeting, and externally, the Chairman shall represent the Company. Dependent upon business needs, a Vice Chairman shall be elected among the directors in the same way.

Article 20: The Chairman shall be the chairperson of shareholders' meetings and Board of Directors' meetings. If the Chairman asks for leave or cannot execute his/her powers, this shall be done pursuant to Article 208 of the Company Act.

Article 21: Unless otherwise specified in related measures, resolutions of the Board of Director may be made by a session with the presence of at least half of directors and with the consent of more than half of these directors.

Article 22: The Board of Director shall be convened according to Article 204 of the Company Act. The meeting notices shall be sent by fax or email, etc.

Article 23: Directors' remuneration shall be determined by the Board of Director based on their degree of involvement in and contribution to the Company's business operations and with reference to the general level within the industry regardless of the Company's profit or loss.

Article 23-1: The Board of Director of the Company may establish a remuneration committee or other functional committees for business needs.

## Chapter 5 Managerial Personnel

Article 24: The Company shall employ several managerial personnel and the appointment, dismissal and remuneration of whom shall be carried out pursuant to Article 29 of the Company Act.

Article 24-1: According to the resolutions of Board of Director, the Company shall appoint several persons to be Chief Executive Officer, Deputy Chief Executive Officer, General Manager, General Manager of the Business Unit and consultants.

## Chapter 6 Accounting

Article 25: At the end of each fiscal year, the Board of Directors shall prepare the following reports for the ratification at the annual general shareholders' meeting in accordance with the legal procedure: 1. Business report. 2. Financial statements 3. Proposal for the distribution of earnings and appropriation for making up losses

Article 26: If the Company makes profit every year, it shall first appropriate no more than 2% as remuneration for directors and 5% to 10% as employee remuneration, but where the Company has accumulated losses, certain amount of the profit shall be retained for loss recovery. The aforementioned employee remuneration shall be determined by the Board of Director based on fulfillment of targets on net operating benefits and performances. It shall be distributed in the form of stocks or in cash. It shall be paid to affiliates' employees who satisfy the conditions specified by the Board of Director or its authorized person.

If the Company has a profit in the current accounting period, it shall first lawfully pay the

taxes, make up any losses from the past years and then make contribution of 10% as the statutory reserve unless the statutory reserve reaches the total amount of the Company paid-in capital.

After special earnings are appropriated or reversed according to the laws, regulations and rules of competent authorities, 10% (including the figure) to 100% of the total amount of undistributed earnings accumulated in the past years and those of the current year shall be appropriated and distributed to shareholders as dividends with the approval of the shareholders' meeting.

At present, the Company is in a mature industry. It shall distribute dividends in cash or by way of stocks. It shall measure its capital demand and capital structure in the next years. Its cash dividends shall not be below 10% of the shareholders' total dividends that year.

## Chapter 7 Supplemental Provisions

Article 27: The Company's organizational rules and rules for handling matters are to be separately formulated by the Board of Director.

Article 28: Any matters not covered in this Articles of Incorporation shall be handled in accordance with the provisions of the Company Act.

Article 29: This Articles of Incorporation were formulated on November 11, 1986.

The 1<sup>st</sup> amendment was made on December 28, 1987.

The 2<sup>nd</sup> amendment was made on February 15, 1989.

The 3<sup>rd</sup> amendment was made on April 13, 1980.

The 4<sup>th</sup> amendment was made on February 5, 1995.

The 5<sup>th</sup> amendment was made on November 19, 1997.

The 6<sup>th</sup> amendment on made on June 30, 1999.

The 7<sup>th</sup> amendment was made on November 15, 1999.

The 8<sup>th</sup> amendment was made on January 16, 2000.

The 9<sup>th</sup> amendment was made on June 2, 2000.

The 10<sup>th</sup> amendment was made on April 9, 2001.

The 11<sup>th</sup> amendment was made on June 20, 2002.

The 12<sup>th</sup> amendment was made on June 20, 2002.

The 13<sup>th</sup> amendment was made on May 27, 2003.

The 14<sup>th</sup> amendment was made on May 31, 2005.

The 15<sup>th</sup> amendment was made on June 7, 2006.

The 16<sup>th</sup> amendment was made on May 25, 2007.

The 17<sup>th</sup> amendment was made on June 13, 2008.

The 18<sup>th</sup> amendment was made on June 9, 2010.

The 19<sup>th</sup> amendment was made on June 6, 2012.

The 20<sup>th</sup> amendment was made on June 26, 2013.

The 21<sup>st</sup> amendment was made on June 25, 2014.

The 22<sup>nd</sup> amendment was made on May 18, 2016.

The 23<sup>rd</sup> amendment was made on May 17, 2017.

The 24<sup>th</sup> amendment was made on May 30, 2018.

The 25<sup>th</sup> amendment was made on May 28, 2020.

The 26<sup>th</sup> amendment was made on May 31, 2023.