



Stock 6451

# **ShunSin Technology Holdings Limited**

## **2020 Annual Shareholders' Meeting**

### **Meeting Handbook**

**JUNE 15, 2020**

**DISCLAIMER :**

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2020 ANNUAL SHAREHOLDERS' MEETING (THE "HANDBOOK") OF SHUNSIN TECHNOLOGY HOLDINGS LIMITED (THE "Company"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE Company HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE HANDBOOK SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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# **I. Meeting Procedure**

**1 、 Report the total number of shares represented at this AGM**

**2 、 Meeting Commencement Announced**

**3 、 Chairman's Address**

**4 、 Report Items**

**5 、 Ratification Items**

**6 、 Discussion and Election Items**

**7 、 Extraordinary Motions**

**8 、 Meeting Adjournment**

## II. Meeting Agenda

Time: 09:00 a.m., June 15, 2020

Venue: Primasia Conference & Business Center, 6F., No. 99, Fuxing N. Rd., Songshan Dist.,  
Taipei City 105, Taiwan (R.O.C.)

- i. Report the total number of shares represented at this AGM**
- ii. Meeting Commencement Announced**
- iii. Chairman's Address**
- iv. Report Items**
  - (1) Report the business of 2019
  - (2) Audit Committee's review report of 2019
  - (3) Report on the distribution of the 2019 Cash Dividend
  - (4) Report on the distribution of the 2019 Employees' Compensations and Directors' Remuneration
  - (5) Case of the amendments to the Company's "Ethical Corporate Management Best Practice Principles"
  - (6) Case of the amendments to the Company's "Procedures for Ethical Management and Guidelines for Conduct"
  - (7) Case of the amendments to the Company's "Corporate Social Responsibility Best Practice Principles"
  - (8) Case of the amendments to the Company's "Rules of Procedure for Broad of Directors Meetings"
- v. Ratification Items**
  - (1) 2019 Business Report and Financial Statements
  - (2) The proposal for distribution of 2019 earnings
- vi. Discussion and Election Items**
  - (1) Discussion of the amendments to the Company's "Memorandum and Articles of Association."
  - (2) Discussion of the amendments to the Company's "Rules of Procedure for Shareholders Meetings"
  - (3) Director Elections.
  - (4) Discussion to approve the lifting new-elected directors non-competition restrictions.
- vii. Extraordinary Motions**

## **viii. Adjournment**

### **Report Items**

#### **Item 1: 2019 Business Report**

**Description:** 1. Please refer to Attachment 1 (pages 8-11) for the Business Report.  
2. Please refer to Attachment 2 (pages 12-20) for the Financial Statements.

#### **Item 2: Audit Committee's Review Report of 2019 audited financial statements**

**Description:** Please refer to Attachment 3 (pages 21) for the Audit Committee's Review Report.

#### **Item 3: Report on the distribution of the 2019 Cash Dividend**

**Description:** 1. The Company plans to distribute dividend of NT\$387,641 thousand. Each common share holder will be entitled to receive a cash dividend of NT\$3.7 per share. The cash dividends will be calculated to the nearest NT\$1 dollar. All fractional values of less than NT\$ were summed up and classified as the Company's other income. Please refer to Attachment 4 (pages 22).  
2. Prior to the ex-dividend date for the distribution, if the number of total shares outstanding has changed as a result of changes in share capital, so that the ratios of the stock dividends and cash dividends are changed and need to be adjusted, the Chairman would make such adjustments.

#### **Item 4: Report on the distribution of the 2019 Employees' Compensations and Directors' Remuneration**

**Description:** Please refer to Attachment 5 (pages 23) for the 2019 Employees' Compensations and Directors' Remuneration Report.

#### **Item 5: Case of the amendments to the Company's "Ethical Corporate Management Best Practice Principles"**

**Description:** In accordance with the requirements with Tai-Cheng-Zhi-Li-Tzu No.1080008378 issued on May 23, 2019 by Taiwan Stock Exchange ("TWSE"), the Company's "Ethical Corporate Management Best Practice Principles" was amended. The amendments are shown in the comparison table on Attachment 6 (pages 24~32).

**Item 6: Case of the amendments to the Company’s “Procedures for Ethical Management and Guidelines for Conduct”**

**Description:** In accordance with the requirements with Tai-Cheng-Zhi-Li-Tzu No.108341134 issued on Feb. 12, 2020 by Taiwan Stock Exchange (“TWSE”), the Company’s “Procedures for Ethical Management and Guidelines for Conduct” was amended. The amendments are shown in the comparison table on Attachment 7 (pages 33~39).

**Item 7: Case of the amendments to the Company’s “Corporate Social Responsibility Best Practice Principles”**

**Description:** In accordance with the requirements with Tai-Cheng-Zhi-Li-Tzu No.108341134 issued on Feb. 12, 2020 by TWSE, the Company’s “Corporate Social Responsibility Best Practice Principles” was amended. The amendments are shown in the comparison table on Attachment 8 (pages 40~43).

**Item 8: Case of the amendments to the Company’s “Rules of Procedure for Broad of Directors Meetings”**

**Description:** In accordance with the requirements with Jin-Guan-Zheng-Fa-Tzu No.1080361934 issued on Jan. 15, 2020 by Financial Supervisory Commission R.O.C. (Taiwan), the Company’s “Rules of Procedure for Broad of Directors Meetings” was amended. The amendments are shown in the comparison table on Attachment 9 (pages 44~45).

## **Ratification Items**

### **Proposal 1: Ratification of the 2019 Business Report and Audited Financial Statements.**

**Description:** 1. The 2019 Business Report and Financial Statements have been approved by the Board of Directors, and have been reviewed by the Audit Committee.

2. Please refer to Attachment 1 through Attachment 3 (pages 21) for the documents mentioned above.

**Resolution:**

### **Proposal 2: To approve the proposal for distribution of 2019 earnings.**

**Description:** 1. The Company's net profit after taxes totaled NT\$638,315 thousand (Attributed to Stockholders of the Company). After deducting the general reserve of NT\$63,832 thousand and special reserve of NT\$345,229 thousand, adding the accumulated unappropriated earning at the beginning of the period of NT\$1,346,765 thousand, the available earnings for distribution was NT\$1,576,019 thousand at the end of the period.

2. Please refer to Attachment 4 (pages 22) for the 2019 Earnings Distribution Table.

**Resolution:**

## **Discussion Items**

### **Proposal 1: Discussion of the amendments to the Company's "Memorandum and Articles of Association"**

- Description:**
1. In accordance with the requirements with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 issued on Dec. 25, 2019 by the TWSE and the Company's actual operational requirements, the Company's Sixth Amended and Restated Memorandum and Articles of Association (the "**Sixth M&A**") be amended by replacing the Sixth M&A in their entirety with the Seventh M&A. The proposed amendments are shown in the comparison table on Attachment 10 (pages 46~59).
  2. On the premise that the shareholders' meeting has passed the amendments to the articles of association, it is proposed to request the shareholders' meeting to authorize the Register Office of the Company to arrange for the requisite filing to be done at the Registrar of Companies in the Cayman Islands.

#### **Resolution:**

### **Proposal 2: Discussion of the amendments to the Company's "Rules of Procedure for Shareholders Meetings"**

- Description:**
- In accordance with the requirements with Tai-Cheng-Zhi-Li-Tzu No. 10800242211 issued on Jan. 2, 2020 by the TWSE, the amendments to the Company's "Rules of Procedure for Shareholders Meeting" are proposed. The proposed amendments are shown in the comparison table on Attachment 11 (pages 60~63).

#### **Resolution:**

### **Proposal 3: Director Elections**

- Description:**
1. The term of the Company's current directors and supervisors will expire by June 21, 2020.
  2. In accordance with the Sixth M&A, there are seven seats of directors (including three independent directors) for this year. The office term is three years, from June 15, 2020 to June 14, 2023.
  3. In accordance with the Article 33 ~ 34 in the Sixth M& A, the candidate nomination system is adopted for this year's election of directors. The list of the director nominees (Attachment 12, pages 64-67) has been approved by the 28th Board meeting in 2020, please elect.

#### **Resolution:**



**Proposal 4: Discussion to approve the lifting new-elected directors non-competition restrictions.**

**Description:**

1. Due to the personal business need, the new-elected directors might also act as a director of a business entity whose scope of business is similar or the same to that of the Company, thereof, we propose to lifting new-elected directors (include the independent directors) non-competition restrictions.
2. The situation of the current position in other entity of the director nominees are shown in the table on Attachment 13 (pages 68~69).

**Resolution:**

## **Extraordinary Motions**

## **Adjournment**

### III. Attachments

#### 【Attachment 1.】 2019 Business Report

## ShunSin Technology Holdings Limited

### 2019 Business Report

#### i. Preface

The report of OECD Economic Outlook 2019 points out that influenced by the global trade war (especially the Sino-US trade war), the Brexit and the uncertainty of trade relation with European Union, the high level of global corporate bond scale, and the US-Iraq geopolitics in 2019, the economic growth and employment opportunities of both the developed countries and developing countries slow down, and the above causes make the low growth, low inflation and low interest rates becoming the best reflection of the global economy in 2019.

Although some products of the Group are affected by the Sino-US trade war, the Group has won the trust and support of clients by virtue of the diversified layout, years of experience and high-yield technology; contrary to the sluggish global economy, the business performance reverses the trend to grow and create good results. In order to cope with the Sino-US trade war, the construction of second production base has been started to reduce the impact. It is expected that in 2020, apart from the development of various projects, it can also take advantage of the 5G market opportunities, and continue to create a new operating record.

#### ii. Operating Performance

The end products of the Group are mainly the consumer electronics industry and the optical communication market. The Group has successfully transformed the diversified product layout and achieved good results in the fields of high-speed optical transceiver modules, biometric modules and SiP products, although part of the second half of 2019 began to be affected by the Sino-US trade war, with years of technology, experiences and good cooperation with customers, the Company adjusted its operating policies in a timely manner to reduce the impact, so the operating performance in 2019 is still greater than the previous year.

The operating performance indicators of the Group in 2019 are as follows:

Currency: NT\$ thousand, %

Item		FY2019	FY2018	Diff.	Note
Profitability	Consolidated Revenue	5,744,804	4,465,710	1,279,094	Mainly due to rising customer demand.

Item		FY2019		FY2018		Diff.	Note
	Consolidated Gross Profit (margin)	1,386,499	24.13%	841,401	18.84%	545,098	Mainly due to changes in product mix.
	Consolidated Net Income (margin)	629,285	10.95%	290,618	6.51%	338,667	Mainly due to rising consolidated revenue and gross profit.
	Return on Asset	6.13%		3.31%		2.82%	Mainly due to rising consolidated net income.
	Return on Equity	11.12%		5.25%		5.87%	Mainly due to rising consolidated net income.
	Earnings per share	\$6.16		\$2.83		\$3.34	Mainly due to rising consolidated net income.
Capital Structure	Debts ratio	50.50%		47.41%		3.09%	Mainly due to increased short-term borrowing needs for operating turnover.
Liquidity	Current ratio	217.94%		241.71%		(23.80%)	Mainly due to increased short-term borrowing, the ration is still good.
	Quick ratio	206.51%		218.79%		(12.28%)	Mainly due to increased short-term borrowing, the ration is still good.
Operating Performance	Average collection turnover (times)	4.76		4.67		0.08	-
	Average collection days	76.77		78.10		(1.34)	-
	Average inventory turnover (times)	10.43		6.70		3.74	Mainly due to changes in product mix, so average inventory declines.
	Average inventory turnover days	34.99		54.52		(19.53)	Changes as average inventory turnover.

The overall operating performance of 2019 was better than that of 2018, mainly due to the fruitful results achieved in diversifying the Group's transformation products. In 2020, the Group will continue the growth momentum of 2019, provide clients with more diversified products, and build stronger and closer cooperation with clients, all to continue to drive the Group's operating performance in 2020.

### Income Share of Product Sales in 2019 and 2018

	FY 2019	FY 2018
High-speed optical transceiver	48.07%	47.3%
SiP	18.25%	22.5%
Biometric ID	21.36%	10.6%
Automotive Electronics	10.7%	11.8%
Other	1.62%	7.8%
Total	100%	100%

### iii. Vision of the Future

The construction of the 5G network has been a closely watched topic and market throughout the world. All countries have started to invest in the construction and commercial planning of the 5G network. According to a report from the economic forecast institute IHS Markit, the 5G supply chain will generate US\$3.5 trillion of global revenue and US\$13.2 trillion of global economic output by 2035. As 5G supports the high-frequency Sub-6GHz and mmWave (millimeter wave), it not only drives the PA market, but also significantly changes RF components and RF front-end module (RF FEM) technology. As for smart phones of the Group's terminal application products, 5G will be the biggest growth momentum over the next decade. According to the research firm Gartner, more 5G smart phones are expected to be launched in 2020, 5G services will also be launched in many countries, and the coverage and hardware of 5G will be improved, all of which will increase consumers' willingness to replace their phones and is expected to lead to the growth of smart phone sales. After applying the 5G frequency band in the future, the internal modules will have a greater demand for integration technology, which is believed to be a big business opportunity for the Group in the adept field of SiP technology.

In addition, according to the estimate of market-research firm Gartner, the IOT sensor market is expected to reach US\$330 billion by 2022, with a compound annual growth rate (CAGR) of 40%. As the IOT industry progresses, the IOT sensor market will grow by more than 300% in the next 10 years. The global smartphone 3D sensing market will grow to US\$5.96 billion by 2020, with a penetration rate of 20%, according to Topology Research Institute. 3D sensing technology requires a lot of packaging technology, and the Group has invested a lot of resources in this technology, which is expected to remain one of the Group's main products in 2020.

In the case of big data era, the rapid growth of the global mobile broadband and cloud computing market, makes a sharp rise in the demand for data transmission, and the optical transceiver module which can quickly handle a large amount of data transmission has become one of the industry development direction; in the past, the 40G transceiver module product can meet most of the market demand, and with the improvement of network transmission technology, the future 5G data transmission speed will be one hundred times of 4G; according to the report of Lightcounting, it points out that at the beginning of 2020, the optical transceiver module market will continue to expand, and the 400G optical transceiver module will be the mainstream of higher order applications. The Group has been deeply

engaged in the field of high-speed optical fiber transceiver module for many years, and the production technology has been continuously advanced from 10G to 400G high-speed optical fiber transceiver module. It is expected that the products of high-speed optical fiber transceiver module will continue to bring a lot of benefits to the Group in 2020.

Looking ahead to 2020, under the panic influence of the Chinese industry affecting the global supply chain for the novel coronavirus, Sino-US trade war to be formally negotiated, and US-Iraq relation, the start of 2020 may not be good, the IMF and the world bank and other international institutions continuously reduce the global economic growth rate, and the global financial market is beset by the gloomy shadows, but the global expanding 5G layout speeds up a lot compared to the past 4G construction; Gartner and IHS Markit economic forecast institute all have confidence in 5G driven market momentum, and the Group's diversified products are closely related to the 5G market; the high-speed optical transmission receiver module, biometric module and SiP sensor all have great potential; based on the Group's rich experience in sealing and testing and high yield of packaging technology, the Group has absolute confidence in this challenge, and believe that it can bring excellent performance. As for the direct impact of novel coronavirus and the Sino-US trade war, the Group has arranged multiple production bases and adjusted the production schedule flexibly, to meet the client needs and reduce the impact. The Group will continue to maintain a positive and stable attitude, in the face of the rapidly changing global environment, boldly break through difficulties and carefully layout the world, stand firmly to grasp the possible opportunities and achieve a more ambitious future.

Chairman : Hsu, Wen-Yi

## **【Attachment 2.】 Independent Auditors’ Report and 2019 Consolidated Financial Statements**

### **REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE**

To Board of Directors of ShunSin Technology Holdings Limited,

#### **Audit Opinion**

We have audited the consolidated financial statements of ShunSin Technology Holdings Limited and its subsidiaries (“the Group”), which comprise the consolidated balance sheet as of December 31, 2019 and 2018, and the related consolidated statement of comprehensive income, changes in equity and cash flows for the years ended December 31, 2019 and 2018, and notes to the consolidated financial statements, including a summary of significant accounting policy.

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

#### **Basis for Opinion**

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of consolidated financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgements, the key audit matters that should be disclosed in this audit report are as follows:

## 1. Revenue recognition

Please refer to note 4 (13) for accounting policy related to revenue recognition, and notes 6 (19) for the information related to revenue of the consolidated financial report.

Description of key audit matter:

Due to sales transactions of the Group are depending on contracts, we need to judge individually to confirm the adequacy of revenue recognition. Additionally, the Group adopts IFRSs 15, which involves complex accounting treatments and policy may result in inappropriate performance obligations and recognition of revenue under IFRSs 15. In addition, it is necessary to evaluate and verify the completeness and accuracy of the relevant materials used, as well as the new disclosure requirements revenue recognition is listed as one of the important items in the audit of the financial statements of this year.

Our audit procedures included:

- Assess the appropriateness of accounting policy in accordance with the requirements of the IFRSs 15 and the understanding of operating and industry characteristics.
- Testing the effectiveness of the design and implementation of internal control over sales and collection cycle, and to examine major contracts to assess revenue recognition.
- Performing comparison analysis on sale of the current period to last period and the latest quarter, and performing trend analysis on sales from each top ten customer to assess the existence of any exceptions, and further identify and analyze the causes if there is any significant exception..
- Performing confirmation procedure of sales revenue and examining significant returns or exchanges after the balance sheet date to assess the assertions of the existence, accuracy, as well as the appropriateness of recognition.
- Performing sales cut-off test of a period before and after the financial position date by vouching relevant documents of sales transactions to determine whether the sales of goods, sales returns and allowances have been the appropriately recognized.

## 2. Financial Assets at Fair Value through Profit and Loss

Please refer to note 4 (7) “Financial Instrument” for the accounting policies of financial assets measured at fair value through profit and loss; note 5 for accounting assumptions and estimation uncertainties of impairment of financial assets measured at fair value through profit and loss, and note 6 (22) “Financial Instrument” for the property and evaluation statements of financial assets measured at fair value through profit and loss.

Description of key audit matter:

The financial assets measured at fair value through profit and loss of the Group are susceptible to the operating conditions of the companies and the economic environment that the fund invests, resulting in greater changes in the subsequent profits or losses recognized as gains and losses at fair value re-measurement, thus adjusting the value of financial assets. Assessing the fair value of this financial asset often requires complicated evaluation techniques. Therefore,

we listed the evaluation of financial assets measured at fair value of profits and losses as one of the key audit matters in the audit of Financial Statements of this year.

Our audit procedures included:

- Obtain the appraiser's appraisal report of the invested Company entrusted by the Group, and evaluate the appraiser's qualification and independence.
- Evaluate the rationalities of the assumptions used in the appraisal report in estimating the price of an investment.
- Evaluate the rationalities of the recognition of profit and loss of financial assets in the accounts of the Group.

### 3. Recognition of deferred income tax asset

Please refer to Note 4(17) "Income Tax" for accounting policies related to recognition of deferred tax asset; please refer to Note 6 (15) of "Income Tax" for descriptions of property and evaluation.

Description of key audit matter:

The subsidiaries of the Group operate in different countries and involve complex multinational tax systems. Due to the complexity of tax laws in different countries, the difference between the book amount and tax basis of foreign business entities, we listed the recognition of deferred income tax assets as one of the key audit matter in the audit of Financial Statements of this year.

Our audit procedures included:

- Obtain annual income tax declaration or verification data to determine major temporary difference adjustment items between book value and tax base.
- Evaluate the rationality of deferred income tax assets or liabilities arising from major temporary differences.
- Tax experts in the place where the foreign business entity is located are invited to participate in the assessment of the reasonableness of the items for the recognition of deferred income tax assets and liabilities and the recorded amount.



## **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 International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including the Audit Committee, are responsible for overseeing the Group’s financial reporting process.

### **Accountant’s Responsibility for Auditing Consolidated Financial Report**

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 a 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 ROC GAAS 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 ROC GAAS, 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 controls.
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 controls.
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 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 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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 significant in our audit of the consolidated financial statements for the years ended December 31, 2019 and are therefore the key audit matters. We describe these matters in our 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.

**SHUNSIN TECHNOLOGY HOLDINGS LIMITED AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**December 31, 2019 and 2018**

**Expressed in Thousands of New Taiwan Dollars**

		<b>2019.12.31</b>		<b>2018.12.31</b>				<b>2019.12.31</b>		<b>2018.12.31</b>	
<b>Assets</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Liabilities and equities</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
11xx	<b>Current assets:</b>					21xx	<b>Current liabilities:</b>				
1100	Cash and cash equivalents	\$ 6,386,315	56	5,293,307	49	2100	Short-term loans	\$ 3,022,229	27	1,635,021	15
1110	Current financial assets at fair value through profit or loss	1,429	-	-	-	2170	Accounts payable	363,471	3	590,342	6
1140	Current contract assets	260,384	2	350,068	3	2180	Accounts payable to related parties	1	-	366	-
1151	Notes receivable	710	-	13,104	-	2200	Other payables	341,200	3	346,737	3
1170	Accounts receivable	530,614	5	510,893	5	2220	Other payables to related parties	34,749	1	656,256	6
1181	Accounts receivable — related parties	571,492	5	789,697	8	2230	Current tax liabilities	16,645	-	-	-
1206	Other receivables	129,224	1	126,242	1	2280	Current lease liabilities	20,462	-	-	-
1310	Inventories	334,061	3	501,540	5	2300	Other current liabilities	20,236	-	10,315	-
1410	Prepayments	102,552	1	241,788	2			3,818,993	34	3,239,037	30
1470	Other current assets	6,690	-	3,370	-	25xx	<b>Non-current liabilities:</b>				
		8,323,471	73	7,830,009	73	2500	Non-current financial liabilities at fair value through profit or loss	-	-	22,800	-
15xx	<b>Non-current assets:</b>					2530	Bonds payable	1,413,728	12	1,384,135	13
1510	Financial assets measured at fair value through profit or loss — non-current	478,401	4	11,048	-	2570	Deferred tax liabilities	421,389	4	377,397	4
1600	Property, plant and equipment	2,255,451	20	2,487,643	23	2580	Non-current lease liabilities	31,413	-	-	-
1755	Right-of-use assets	90,329	1	-	-	2630	Long-term deferred revenue	94,090	1	65,492	-
1780	Intangible assets	2,915	-	6,404	-	2645	Guarantee deposits received	1,443	-	1,073	-
1840	Deferred tax assets	268,126	2	350,004	4			1,962,063	17	1,850,897	17
1915	Prepayments for business facilities	19,335	-	-	-	2xxx	<b>Total liabilities</b>	5,781,056	51	5,089,934	47
1920	Refundable deposits	10,808	-	10,035	-						
1985	Long-term lease prepayments	-	-	40,884	-	31xx	<b>Total equity attributable to owners of parent:</b>				
		3,125,365	27	2,906,018	27	3110	Ordinary share	1,065,248	9	1,054,468	10
						3200	Capital surplus	2,753,167	24	2,632,394	25
						3300	Retained earnings:				
						3310	Legal reserve	339,499	3	309,674	3
						3350	Unappropriated retained earnings	1,985,081	17	1,615,955	15
								2,324,580	20	1,925,629	18
						3400	Other equity interest:				
						3410	Exchange differences on translation of foreign financial statements	(345,230)	(3)	4,093	-
						3510	Treasury shares	(149,649)	(1)	-	-
							Total equity attributable to owners of parent	5,648,116	49	5,616,584	53
						36xx	<b>Non-controlling interests</b>	19,664	-	29,509	-
						3xxx	<b>Total equity</b>	5,667,780	49	5,646,093	53
1xxx	<b>Total assets</b>	<b>\$ 11,448,836</b>	<b>100</b>	<b>10,736,027</b>	<b>100</b>	2-3xxx	<b>Total liabilities and equity</b>	<b>\$ 11,448,836</b>	<b>100</b>	<b>10,736,027</b>	<b>100</b>

**Chairman: Hsu, Wen-Yi**

**Manager: Hsu, Wen-Yi**

**General Accountant: Wang, Chieh-Min**

**SHUNSIN TECHNOLOGY HOLDINGS LIMITED AND SUBSIDIARIES**  
**Consolidated Statements of Profit or Loss and Other Comprehensive Income**  
**For the years ended December 31, 2019 and 2018**  
**(Expressed in Thousands of New Taiwan Dollars, Except for Earning Per Share)**

		<b>2019</b>		<b>2018</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4110	Sales revenue	\$ 5,785,498	101	4,494,625	101
4170	Loss: Sales return	3	-	129	-
4190	Sales discounts and allowances	40,691	1	28,786	1
	<b>Operating Revenue</b>	<b>5,744,804</b>	<b>100</b>	<b>4,465,710</b>	<b>100</b>
5000	<b>Operating costs</b>	<b>4,358,305</b>	<b>76</b>	<b>3,624,309</b>	<b>81</b>
5900	<b>Gross profit from operations</b>	<b>1,386,499</b>	<b>24</b>	<b>841,401</b>	<b>19</b>
6000	<b>Operating expenses:</b>				
6100	Selling expenses	33,253	-	33,662	1
6200	Administrative expenses	434,813	8	294,734	7
6300	Research and development expenses	280,919	5	376,098	8
6450	Impairment loss (impairment gain and reversal of impairment loss)	14,216	-	-	-
	<b>Total operating expenses</b>	<b>763,201</b>	<b>13</b>	<b>704,494</b>	<b>16</b>
6900	<b>Net operating profits</b>	<b>623,298</b>	<b>11</b>	<b>136,907</b>	<b>3</b>
7000	<b>Non-operating income and expenses</b>				
7010	Other income	269,996	5	186,331	5
7020	Other gains and losses	(41,506)	(1)	53,860	1
7050	Finance costs	(63,354)	(1)	(38,682)	(1)
	<b>Total non-operating income and expenses</b>	<b>165,136</b>	<b>3</b>	<b>201,509</b>	<b>5</b>
7900	<b>Profit (loss) from continuing operations before tax</b>	<b>788,434</b>	<b>14</b>	<b>338,416</b>	<b>8</b>
7950	<b>Loss: Income tax expense (income)</b>	<b>159,149</b>	<b>3</b>	<b>47,798</b>	<b>1</b>
	<b>Profit</b>	<b>629,285</b>	<b>11</b>	<b>290,618</b>	<b>7</b>
8300	<b>Other comprehensive income:</b>				
8360	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>				
8361	Exchange differences on translation	(350,138)	(6)	(174,129)	(4)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
8300	<b>Other comprehensive income, net</b>	<b>(350,138)</b>	<b>(6)</b>	<b>(174,129)</b>	<b>(4)</b>
8500	<b>Total comprehensive income (loss)</b>	<b>\$ 279,147</b>	<b>5</b>	<b>116,489</b>	<b>3</b>
	<b>Profit, attributable to:</b>				
8610	Owners of parent	\$ 638,315	11	298,247	7
8620	Non-controlling interests	(9,030)	-	(7,629)	-
		<b>\$ 629,285</b>	<b>11</b>	<b>290,618</b>	<b>7</b>
	<b>Comprehensive income attributable to:</b>				
8710	Owners of parent	\$ 288,992	5	120,532	3
8720	Non-controlling interests	(9,845)	-	(4,043)	-
		<b>\$ 279,147</b>	<b>5</b>	<b>116,489</b>	<b>3</b>
	<b>Basic earnings per share (expressed in New Taiwan Dollars)</b>				
9750	Basic earnings per share	<b>\$ 6.16</b>		<b>2.83</b>	
9850	Diluted earnings per share	<b>\$ 5.67</b>		<b>2.80</b>	

**Chairman: Hsu, Wen-Yi**

**Manager: Hsu, Wen-Yi**

**General Accountant: Wang, Chieh-Min**

**SHUNSIN TECHNOLOGY HOLDINGS LIMITED AND SUBSIDIARIES**

**Consolidated Statements of Changes in Equity**

**For the years ended December 31, 2019 and 2018**

**(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent									
	Retained earnings					Exchange differences on translation of foreign financial statements	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Common stock	Capital reserves	Legal reserves	Unappropriated retained earnings	Total					
<b>Balance as of January 1, 2018</b>	\$ 1,054,468	2,478,162	298,590	1,373,841	1,672,431	181,808	-	5,386,869	30,134	5,417,003
Effects of retrospective application and retrospective restatement	-	-	-	54,071	54,071	-	-	54,071	-	54,071
Equity at beginning of period after adjustments	1,054,468	2,478,162	298,590	1,427,912	1,726,502	181,808	-	5,440,940	30,134	5,471,074
Earnings allocation and distribution:										
Legal reserve	-	-	11,084	(11,804)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	(99,120)	(99,120)	-	-	(99,120)	-	(99,120)
Profit	-	-	-	298,247	298,247	-	-	298,247	(7,629)	290,618
Other comprehensive income (loss)	-	-	-	-	-	(177,715)	-	(177,715)	3,586	(174,129)
Total comprehensive income (loss)	-	-	-	298,247	298,247	(177,715)	-	120,532	(4,043)	116,489
Due to recognition of equity component of convertible bonds issued	-	129,000	-	-	-	-	-	129,000	-	129,000
Share-based payment transactions	-	25,232	-	-	-	-	-	25,232	-	25,232
Increase in non-controlling interests	-	-	-	-	-	-	-	-	3,418	3,418
<b>Balance at December 31, 2018</b>	1,054,468	2,632,394	309,674	1,615,955	1,925,629	4,093	-	5,616,584	29,509	5,646,093
Earnings allocation and distribution:										
Legal reserve	-	-	29,825	(29,825)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	(239,364)	(239,364)	-	-	(239,364)	-	(239,364)
Profit	-	-	-	638,315	638,315	-	-	638,315	(9,030)	629,285
Other comprehensive income (loss)	-	-	-	-	-	(349,323)	-	(349,323)	(815)	(350,138)
Total comprehensive income (loss)	-	-	-	638,315	638,315	(349,323)	-	288,992	(9,845)	279,147
Shares issued due to stock option executed	10,780	92,298	-	-	-	-	-	103,078	-	103,078
Purchase of treasury shares	-	-	-	-	-	-	(243,432)	(243,432)	-	(243,432)
Proceeds from sale of treasury shares	-	-	-	-	-	-	93,783	93,783	-	93,783
Share-based payment transactions	-	28,475	-	-	-	-	-	28,475	-	28,475
<b>Balance at December 31, 2019</b>	<b>\$ 1,065,248</b>	<b>2,753,167</b>	<b>339,499</b>	<b>1,985,081</b>	<b>2,324,580</b>	<b>(345,230)</b>	<b>(149,649)</b>	<b>5,648,116</b>	<b>19,664</b>	<b>5,667,780</b>

Chairman: Hsu, Wen-Yi

Manager: Hsu, Wen-Yi

General Accountant: Wang, Chieh-Min

**SHUNSIN TECHNOLOGY HOLDINGS LIMITED AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the years ended December 31, 2019 and 2018**

**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2019</b>	<b>2018</b>
<b>Cash flows from operating activities:</b>		
Profit before tax	\$ 778,434	338,416
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss)		
Depreciation expense	588,500	322,204
Amortization expense	4,033	4,586
Expected credit loss for bad debt expense	14,216	-
Net loss on financial assets and liabilities at fair value through profit or loss	44,902	38,757
Interest expense	63,354	38,682
Interest income	(126,483)	(154,914)
Share-based payments	28,475	25,232
Loss (gain) on disposal of property, plant and equipment	(5,165)	(2,284)
Property, plant and equipment transferred to expenses	254	-
Total adjustments to reconcile profit (loss)	<u>612,086</u>	<u>272,263</u>
Changes in operating assets and liabilities		
Changes in operating assets:		
Contract assets	89,684	(101,441)
Notes receivable	12,394	751
Accounts receivable	(33,523)	(255,396)
Accounts receivables—related parties	218,205	(461,563)
Other receivables	(15,792)	(102,415)
Inventories	167,479	(114,990)
Prepayments	139,236	(87,493)
Other current assets	(3,320)	(2,377)
Long-term Lease Prepayments	-	2,172
Total changes in operating assets	<u>574,363</u>	<u>(1,122,752)</u>
Changes in operating liabilities:		
Accounts payable	(226,871)	101,520
Accounts payable—related parties	(365)	(7,565)
Other payable	46,518	70,291
Other payable—related parties	4,335	25,789
Other current liabilities	9,921	2,079
Long-term deferred income	28,598	33,559
Total changes in operating liabilities	<u>(137,864)</u>	<u>225,673</u>
Total changes in operating assets and liabilities	<u>436,499</u>	<u>(897,079)</u>
Total adjustments	<u>1,048,585</u>	<u>(624,816)</u>
Cash inflow (outflow) generated from operations	1,837,019	(286,400)
Interest received	127,225	158,265
Interest paid	(32,049)	(11,779)
Income tax paid	621	(9,823)
<b>Net cash flows from (used in) operating activities</b>	<u>1,932,816</u>	<u>(149,737)</u>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at fair value through profit or loss	(571,513)	-
Acquisition of property, plant and equipment	(1,147,571)	(1,354,282)
Proceeds from disposal of property, plant and equipment	32,436	7,634
Decrease (increase) in refundable deposits	(773)	586
Acquisition of intangible assets	(665)	(5,859)
Increase in prepayments for business facilities	(19,335)	-
<b>Net cash used in investing activities</b>	<u>(1,707,421)</u>	<u>(1,351,921)</u>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term loans	7,044,962	3,430,156
Decrease in short-term loans	(5,657,754)	(4,275,671)
Proceeds from issuing convertible corporate bonds	-	1,500,206
Increase in guarantee deposits received	341	-
Payments of lease liabilities	(9,064)	-
Cash dividends paid	(239,364)	(99,120)
Shares issued due to stock option executed	103,078	-
Payments to acquire treasury shares	(243,432)	-
Proceeds from sale of treasury shares	93,783	-
Increase in non-controlling interests	-	3,418
<b>Net cash flows from financing activities</b>	<u>1,092,550</u>	<u>558,989</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>(224,937)</u>	<u>(128,661)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	1,093,008	(1,071,330)
<b>Cash and cash equivalents at beginning of period</b>	5,293,307	6,364,637
<b>Cash and cash equivalents at end of period</b>	<u>\$ 6,386,315</u>	<u>5,293,307</u>

**Chairman: Hsu, Wen-Yi**

**Manager: Hsu, Wen-Yi**

**General Accountant: Wang, Chieh-Min**

### **【Attachment 3.】 Audit Committee's review report of 2019**

The Board of Directors has prepared the Company's Financial Statements, 2019 Business Report and proposal for distribution of 2019 earnings. Of which, the Financial Statements have been audited by KPMG Taiwan. The Financial Statements, 2019 Business Report and proposal for distribution of 2019 earnings have been audited by us as Audit Committee of the Company. We deem no inappropriateness on these documents. Pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report. Please review.

**ShunSin Technology Holdings Limited**

Chairman of the The Audit Committee: Ting, Hung-Hsun

On the date of March 25, 20120

**【 Attachment 4.】 2019 Earnings Distribution Table****ShunSin Technology Holdings Limited****2019 Earnings Distribution Table**

Currency : NTD

Items	Amount		Note
	Subtotal	Total	
Accumulated un-appropriated earnings at the beginning of the period		1,346,764,867	
Add:			
2019 net profit after taxes	638,315,486		Attributed to Stockholders of the Company
Minus:			
General reserve (10%)	63,831,549		
special reserve	345,229,367		Because the account “Exchange differences on translation of foreign financial statements” is negative, a special reserve of the same amount is provided as required.
Earnings available for appropriation		1,576,019,437	
Minus:			
Cash Dividends to Shareholders *	387,640,860	387,640,860	NT\$ 3.7 per share
Un-appropriated Earnings		1,156,948,237	

\* Cash Dividends : (106,524,800- 1,757,000) shares × NT\$ 3.7 = 387,640,860  
 ( The cash dividends will be calculated to the nearest NT\$ )

Chairman: Hsu, Wen-Yi

CEO: Hsu, Wen-Yi

Finance &amp; Accounting Manager: Wang, Chieh-Min



## 【Attachment 5.】 Report of the 2019 Employees' Compensations and Directors' Remuneration

### 1. According to the Article 13.4 of the Sixth M&A:

”Upon the final settlement of the Company’s accounts, if there is “surplus profit” (as defined below), the Company shall set aside no less than five per cent (5%) 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 zero point one per cent (0.1%) thereof as remuneration for the Directors (**"Directors' Remuneration"**)”, “The “surplus profit” referred to above means the net profit before tax and for the avoidance of doubt, such amount is before any payment of compensation to employees and remuneration for the Directors.”.

### 2. 2019 Surplus profit:

The calculation is based on the Company’s individual financial statements which is audited by the accountant:

	Currency: NT\$ thousand
Net income before income tax	664,162
Add: Accrued Employees' Compensations	87,563
Accrued Directors' Remuneration	752
surplus profit	<u><u>752,477</u></u>

### 3. 2019 Employees' Compensations and Directors' Remuneration:

According to the resolutions of 11th meeting of the 2nd Compensation Committee and 27th meeting of the 3rd Board of Directors on March 25, 2020, NT\$ 87,562,798 will be allocated as employees’ compensation and NT\$ 752,476 as director’s remuneration, which account for 11.64% and 0.1% of the profits of 2019, respectively. This is in accordance with the Fifth Amended and Restated Memorandum and Articles of Association. The above amount is issued in cash, and there is no difference between the actual amount of distribution and the estimated amount.

	Currency: NT\$ thousand
Employees' Compensations :	$752,477 \times 11.64\% \doteq 87,563$
Directors' Remuneration :	$752,477 \times 0.1\% \doteq 752$

**【 Attachment 6. 】 Amendment Comparison Table of the Ethical Corporate Management Best Practice Principles**

**ShunSin Technology Holdings Limited**

**Amendment Comparison Table of the Ethical Corporate Management Best Practice Principles**

After Amendments	Before Amendments	Note
<p>Article 3</p> <p>When engaging in commercial activities, directors, managers, employees, and mandataries of the Company or persons having substantial control over the Company ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.</p> <p>Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, managers, employees or substantial controllers or other stakeholders.</p>	<p>Article 3</p> <p>When engaging in commercial activities, directors, <u>supervisors</u>, managers, employees, and mandataries of the Company or persons having substantial control over the Company ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.</p> <p>Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, <u>supervisors</u>, managers, employees or substantial controllers or other stakeholders.</p>	<p>To delete the position that the Company doesn't set up.</p>
<p>Article 6</p> <p>The company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith <u>and obtain approval from the board of directors</u>, and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.</p>	<p>Article 6</p> <p>The company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.</p>	<p>To amend the relevant Articles in accordance with the Company's operation need and with the letter Tai-Cheng-Zhi-Li-Tzu No. 1080008378 revised by Taiwan Stock Exchange ("TWSE") on May 23, 2019.</p>

After Amendments	Before Amendments	Note
<p>Article 8 The Company <b><u>shall establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis</u></b> business activities within their business scope which are at a higher risk of being involved in unethical conduct, and <b><u>establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis. It is advisable for the Company to refer to prevailing domestic and foreign standards or guidelines in establishing the prevention programs, which</u></b> shall at least include preventive measures against the following: .....(The following content omitted)</p>	<p>Article 8 <b><u>When establishing the prevention programs,</u></b> the Company shall analyze <b><u>which</u></b> business activities within their business scope which are <b><u>possibly</u></b> at a higher risk of being involved in an unethical conduct, and <b><u>strengthen the preventive measures.</u></b> The prevention programs adopted by the Company shall at least include preventive measures against the following: .....(The following content omitted)</p>	<p>To amend the relevant Articles in accordance with the Company's operation need and with the letter Tai-Cheng-Zhi-Li-Tzu No. 1080008378 revised by TWSE on May 23, 2019.</p>
<p>Article 9 <b><u>The Company shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.</u></b> The Company and their respective business group shall clearly specify in their rules and external documents <b><u>and on the company website</u></b> the ethical corporate management policies and the commitment by the board of directors and senior management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities. <b><u>The Company shall compile documented information on the ethical management policy, statement, commitment and implementation mentioned in the first and second paragraphs and retain said information properly.</u></b></p>	<p>Article 9 The Company and their respective business group shall clearly specify in their rules and external documents the ethical corporate management policies and the commitment by the board of directors and the management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.</p>	<p>To amend the relevant Articles in accordance with the Company's operation need and with the letter Tai-Cheng-Zhi-Li-Tzu No. 1080008378 revised by TWSE on May 23, 2019.</p>
<p>Article 11 When conducting business, the Company and their directors, managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or</p>	<p>Article 11 When conducting business, the Company and their directors, <b><u>supervisors,</u></b> managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer,</p>	<p>To delete the position that the Company doesn't set up.</p>

After Amendments	Before Amendments	Note
accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.	request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.	
Article 12 When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and their directors, managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.	Article 12 When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and their directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.	To delete the position that the Company doesn't set up.
Article 13 When making or offering donations and sponsorship, the Company and their directors, managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.	Article 13 When making or offering donations and sponsorship, the Company and their directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.	To delete the position that the Company doesn't set up.
Article 14 The Company and their directors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.	Article 14 The Company and their directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.	To delete the position that the Company doesn't set up.
Article 15 The Company and their directors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the company's internal operational procedures, and contractual provisions concerning intellectual	Article 15 The Company and their directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the company's internal operational procedures, and contractual provisions concerning	To delete the position that the Company doesn't set up.

After Amendments	Before Amendments	Note
property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.	intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.	
<p>Article 17</p> <p>In the course of research and development, procurement, manufacture, provision, or sale of products and services, the Company and their directors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, their products and services. They shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in their operations, with a view to preventing their products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the company shall, in principle, recall those products or suspend the services immediately.</p>	<p>Article 17</p> <p>In the course of research and development, procurement, manufacture, provision, or sale of products and services, the Company and their directors, <u>supervisors</u>, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, their products and services. They shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in their operations, with a view to preventing their products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the company shall, in principle, recall those products or suspend the services immediately.</p>	To delete the position that the Company doesn't set up.
<p>Article 18</p> <p>The directors, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, the Company shall establish a dedicated unit that is under the board of</p>	<p>Article 18</p> <p>The directors, <u>supervisors</u>, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, the Company shall establish a dedicated unit that is under the board of</p>	<ol style="list-style-type: none"> <li>1. To delete the position that the Company doesn't set up.</li> <li>2. To amend the relevant Articles in accordance with the Company's operation need</li> </ol>

After Amendments	Before Amendments	Note
<p>directors and <b><u>avail itself of adequate resources and staff itself with competent personnel</u></b>, responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the board of directors on a regular basis <b><u>(at least once a year)</u></b>:</p> <ol style="list-style-type: none"> <li>1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</li> <li>2. <b><u>Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope</u></b>, adopting <b><u>accordingly</u></b> programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.</li> </ol> <p>.....(The following content omitted)</p>	<p>directors and responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the board of directors on a regular basis:</p> <ol style="list-style-type: none"> <li>1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</li> <li>2. Adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.</li> </ol> <p>.....(The following content omitted)</p>	<p>and with the letter Tai-Cheng-Zhi-Li-Tzu No. 1080008378 revised by TWSE on May 23, 2019.</p>
<p>Article 19</p> <p>The company and their directors, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.</p>	<p>Article 19</p> <p>The company and their directors, <b><u>supervisors</u></b>, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.</p>	<p>To delete the position that the Company doesn't set up.</p>
<p>Article 20</p> <p>The Company shall adopt policies for preventing conflicts of interest to identify, monitor, and manage risks possibly resulting from unethical conduct, and shall also offer appropriate means for directors, managers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the company.</p>	<p>Article 20</p> <p>The Company shall adopt policies for preventing conflicts of interest to identify, monitor, and manage risks possibly resulting from unethical conduct, and shall also offer appropriate means for directors, <b><u>supervisors</u></b>, managers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of</p>	<p>To delete the position that the Company doesn't set up.</p>

After Amendments	Before Amendments	Note
<p>When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the Company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.</p> <p>The Company's directors, managers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.</p>	<p>the company.</p> <p>When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, <b><u>supervisors</u></b>, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the Company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.</p> <p>The Company's directors, <b><u>supervisors</u></b>, managers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.</p>	
<p>Article 21</p> <p>The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.</p> <p>The internal audit unit of the Company shall, <b><u>based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans which including auditees, audit scope, audit items, audit frequency, etc., and examine accordingly the compliance with the prevention</u></b></p>	<p>Article 21</p> <p>The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.</p> <p>The internal audit unit of the Company shall <b><u>periodically examine the Company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors.</u></b> The internal audit unit may engage a certified public accountant to carry out the audit, and may</p>	<p>To amend the relevant Articles in accordance with the Company's operation need and with the letter Tai-Cheng-Zhi-Li-Tzu No. 1080008378 revised by TWSE on May 23, 2019.</p>

After Amendments	Before Amendments	Note
<p><b><u>programs.</u></b> The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.</p> <p><b><u>The results of examination in the preceding paragraph shall be reported to senior management and the ethical management dedicated unit and put down in writing in the form of an audit report to be submitted to the board of directors.</u></b></p>	<p>engage professionals to assist if necessary.</p>	
<p>Article 22</p> <p>The Company shall establish operational procedures and guidelines in accordance with Article 7 hereof to guide directors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters:</p> <p>.....(The following content omitted)</p>	<p>Article 22</p> <p>The Company shall establish operational procedures and guidelines in accordance with Article 7 hereof to guide directors, <b><u>supervisors</u></b>, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters:</p> <p>.....(The following content omitted)</p>	<p>To delete the position that the Company doesn't set up.</p>
<p>Article 23</p> <p>The chairperson, general manager, or senior management of the Company shall communicate the importance of corporate ethics to its directors, employees, and mandataries on a regular basis.</p> <p>The Company shall periodically organize training and awareness programs for directors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the Company's resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.</p> <p>.....(The following content omitted)</p>	<p>Article 23</p> <p>The chairperson, general manager, or senior management of the Company shall communicate the importance of corporate ethics to its directors, employees, and mandataries on a regular basis.</p> <p>The Company shall periodically organize training and awareness programs for directors, <b><u>supervisors</u></b>, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the Company's resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.</p> <p>.....(The following content omitted)</p>	<p>To delete the position that the Company doesn't set up.</p>
<p>Article 24</p> <p>The Company shall adopt a concrete whistle-blowing system and</p>	<p>Article 24</p> <p>The Company shall adopt a concrete whistle-blowing system and</p>	<p>1. To delete the position that the</p>



After Amendments	Before Amendments	Note
<p>scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <ol style="list-style-type: none"> <li>1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the company to submit reports.</li> <li>2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior management shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.</li> <li>3. <b><u>Follow-up measures to be adopted depending on the severity of the circumstances after investigations of cases reported are completed. Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.</u></b></li> <li>4. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.</li> <li>5. Confidentiality of the identity of whistle-blowers and the content of reported cases, <b><u>and an undertaking regarding anonymous reporting.</u></b></li> <li>6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.</li> <li>7. Whistle-blowing incentive measures.</li> </ol> <p>When material misconduct or likelihood of material impairment to the Company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.</p>	<p>scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <ol style="list-style-type: none"> <li>1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow company insiders and outsiders to submit reports.</li> <li>2. Dedicated personnel or unit appointed to handle whistle-blowing system. Any tip involving a director or senior manager shall be reported to the independent directors <b><u>or supervisors.</u></b> Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.</li> <li>3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.</li> <li>4. Confidentiality of the identity of whistle-blowers and the content of reported cases.</li> <li>5. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.</li> <li>6. Whistle-blowing incentive measures.</li> </ol> <p>When material misconduct or likelihood of material impairment to the Company comes to their awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors <b><u>or supervisors</u></b> in written form.</p>	<p>Company doesn't set up.</p> <p>2. To amend the relevant Articles in accordance with the Company's operation need and with the letter Tai-Cheng-Zhi-Li-T zu No. 1080008378 revised by TWSE on May 23, 2019.</p>

After Amendments	Before Amendments	Note
<p>Article 27</p> <p>The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.</p>	<p>Article 27</p> <p>The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, <u>supervisors</u>, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.</p>	<p>To delete the position that the Company doesn't set up.</p>
<p>Article 28</p> <p>The ethical corporate management best practice principles of the Company shall be implemented after the board of directors grants the approval, and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.</p> <p>When the Company submits its ethical corporate management best practice principles to the board of directors for discussion pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</p>	<p>Article 28</p> <p>The ethical corporate management best practice principles of the Company shall be implemented after the board of directors grants the approval, and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.</p> <p>When the Company submits its ethical corporate management best practice principles to the board of directors for discussion pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. Any objections or reservations of any independent director shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objections or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</p> <p><b><u>For the Company that has established an audit committee, the provisions regarding supervisors in these Principles shall apply mutatis mutandis to the audit committee.</u></b></p>	<p>To delete the position that the Company doesn't set up.</p>

**【 Attachment 7. 】 Amendment Comparison Table of the Procedures for Ethical Management and Guidelines for Conduct**

**ShunSin Technology Holdings Limited**

**Amendment Comparison Table of the Procedures for Ethical Management and Guidelines for Conduct**

After Amendments	Before Amendments	Note
<p>Article 4. The Company designate the <b><u>administration department</u></b> as the solely responsible unit (hereinafter, "responsible unit") under the board of directors <b><u>and allocates sufficient resources and qualified personnel to be</u></b> in charge of the the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports <b><u>(at least once a year)</u></b> to the board of directors:</p> <ol style="list-style-type: none"> <li>Assisting in incorporating ethics and moral values into this Corporation's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</li> <li><b><u>Analyzing and assessing on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and adopting programs accordingly</u></b> to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to this Corporation's operations and business.</li> <li>Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities</li> </ol>	<p>Article 4. The Company designate the <b><u>audit office</u></b> as the solely responsible unit (hereinafter, "responsible unit") under the board of directors and in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports to the board of directors:</p> <ol style="list-style-type: none"> <li>Assisting in incorporating ethics and moral values into this Corporation's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</li> <li><b><u>Adopting</u></b> programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to this Corporation's operations and business.</li> <li>Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</li> <li>Promoting and coordinating awareness and educational</li> </ol>	<p>To amend the relevant Articles in accordance with the Company's operation need and with the letter Tai-Cheng-Zhi-Li-Tzu No. 1090002299 revised by Taiwan Stock Exchange ("TWSE") on Feb. 13, 2020.</p>

After Amendments	Before Amendments	Note
<p>within the business scope which are possibly at a higher risk for unethical conduct.</p> <p>4. Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>5. Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures</p> <p>7. <b><u>Making and properly keeping documentation related to policies of ethical management and their compliance statements, implementation, and performance.</u></b></p>	<p>activities with respect to ethics policy.</p> <p>5. Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p>	
<p>Article 5.</p> <p>.....(The foregoing content omitted)</p> <p>6. Recusal</p> <p>a. When the Company's director, officer or other stakeholder attending or present at a board meeting, or the juristic person represented thereby, has a stake in <b><u>an agenda item</u></b> at the meeting, that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of this Corporation would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.</p> <p><b><u>b. Where the spouse or a blood relative within the second</u></b></p>	<p>Article 5.</p> <p>.....(The foregoing content omitted)</p> <p>6. Recusal</p> <p>a. When the Company's director, <b><u>supervisor</u></b>, officer or other stakeholder attending or present at a board meeting, or the juristic person represented thereby, has a stake in <b><u>a proposal</u></b> at the meeting, that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of this Corporation would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.</p>	<p>1. To delete the position that the Company doesn't set up;</p> <p>2. To amend the relevant Articles in accordance with the letter Tai-Cheng-Zhi-Li-Tzu No. 1090002299 revised by TWSE on Feb. 13, 2020;</p> <p>3. To delete duplicate contents.</p>

After Amendments	Before Amendments	Note
<p><b><u>degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.</u></b></p> <p>c. If in the course of conducting company business, any personnel of this Corporation discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.</p> <p>d. No personnel of this Corporation may use company resources on commercial activities other than those of this Corporation, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of this Corporation.</p> <p>.....(The following content omitted)</p> <p><b><u>8. Prohibition against unfair competitive practices</u></b></p> <p>The Company shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.</p> <p>.....(The following content omitted)</p> <p>11. <b><u>Compliance and declaration</u></b> of ethical management policies</p>	<p>b. If in the course of conducting company business, any personnel of this Corporation discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.</p> <p>c. No personnel of this Corporation may use company resources on commercial activities other than those of this Corporation, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of this Corporation.</p> <p>.....(The following content omitted)</p> <p><b><u>8. Prohibition against disclosure of confidential information</u></b></p> <p>The Company shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.</p> <p>.....(The following content omitted)</p> <p>11. <b><u>Announcement of policy</u></b> of ethical management <b><u>to outside parties</u></b></p>	

After Amendments	Before Amendments	Note
<p><b><u>This Corporation should shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.</u></b></p> <p>This Corporation shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</p> <p>.....(The following content omitted)</p> <p>16. Handling of unethical conduct by personnel of this Corporation</p> <p>a. As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward of not more than NT\$1,000,000 depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.</p> <p>b. The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for Company insiders and outsiders to submit reports. A whistleblower shall at least furnish the following information:</p> <p>(1). name, ID card number, <b><u>contact</u></b> address, telephone number, and e-mail address <b><u>of the whistleblower can remain anonymous.</u></b></p> <p>(2). the informed party's name or other information</p>	<p>This Corporation shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</p> <p>.....(The following content omitted)</p> <p>16. Handling of unethical conduct by personnel of this Corporation</p> <p>a. As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward of not more than NT\$1,000,000 depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.</p> <p>b. The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for Company insiders and outsiders to submit reports. A whistleblower shall at least furnish the following information:</p> <p>(1). <b><u>the whistleblower's</u></b> name <b><u>and</u></b> I.D. number, <b><u>and an</u></b> address, telephone number and e-mail address <b><u>where it can be reached.</u></b></p> <p>(2). the informed party's name or other information</p>	

After Amendments	Before Amendments	Note
<p>sufficient to distinguish its identifying features.</p> <p>(3). specific facts available for investigation.</p> <p>c. Company personnel handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. The Company also undertakes to protect the whistleblowers from improper treatment due to their whistle-blowing.</p> <p>d. The responsible unit of the Company shall <b><u>abide by</u></b> the following procedures <b><u>in dealing with whistleblowing issues:</u></b></p> <p>(1). An information shall be reported to the department head if involving the rank and file and to an independent director if involving a director or a senior executive.</p> <p>(2). The responsible unit of the Company and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.</p> <p>(3). If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company <b><u>shall report the case to the competent authority, transfer the case to the judicial authority for investigation, or</u></b> institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.</p> <p>(4). Documentation of case acceptance, investigation</p>	<p>sufficient to distinguish its identifying features.</p> <p>(3). specific facts available for investigation.</p> <p>c. Company personnel handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. The Company also undertakes to protect the whistleblowers from improper treatment due to their whistle-blowing.</p> <p>d. The responsible unit of the Company shall <b><u>observe</u></b> the following procedure:</p> <p>(1). An information shall be reported to the department head if involving the rank and file and to an independent director <b><u>or supervisor</u></b> if involving a director or a senior executive.</p> <p>(2). The responsible unit of the Company and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.</p> <p>(3). If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company <b><u>will</u></b> institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.</p> <p>(4). Documentation of case acceptance, investigation</p>	

After Amendments	Before Amendments	Note
<p>processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.</p> <p>(5). With respect to a confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.</p> <p>(6). The responsible unit of the Company shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.</p> <p>.....(The following content omitted)</p> <p>18. <b><u>Internal communication</u></b>, establishment of a system for rewards, penalties, and complaints, and related disciplinary measures</p> <p>a. If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Company.</p> <p>b. The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.</p> <p>c. The responsible unit of the Company shall organize once awareness session each year and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries.</p>	<p>processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.</p> <p>(5). With respect to a confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.</p> <p>(6). The responsible unit of the Company shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.</p> <p>.....(The following content omitted)</p> <p>18. <b><u>Establishment of a system for rewards, penalties, and complaints, and related disciplinary measures</u></b></p> <p>a. <b><u>The Company shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for Company insiders and outsiders to submit reports. The Company shall keep the whistleblowers' identity and contents of information confidential.</u></b></p> <p>b. <b><u>The Company shall designate the responsible unit to handle the whistle-blowing matters and information shall be reported to an independent director or supervisor if involving a director or a senior executive.</u></b></p> <p>c. <b><u>Documentation of case acceptance, investigation processes and investigation results shall be retained</u></b></p> <p>d. <b><u>The whistleblowers would not be improper treated due</u></b></p>	



After Amendments	Before Amendments	Note
<p>d. <u>The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.</u></p>	<p>to their whistle-blowing.</p> <p>e. <u>The Company should give proper reward to whistleblower.</u></p> <p>f. <u>If the responsible unit finds material violation or the Company is in danger of serious damage , it shall immediately submit to the board of directors a report in writing.</u></p> <p>g. If any personnel of the Company seriously violates ethical conduct, the Company shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of the Company.</p> <p>h. The Company shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.</p> <p>i. The responsible unit of the Company shall organize once awareness session each year and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries.</p>	

**【 Attachment 8.】 Amendment Comparison Table of the Corporate Social Responsibility Best Practice Principles**

## **ShunSin Technology Holdings Limited**

### **Amendment Comparison Table of the Corporate Social Responsibility Best Practice Principles**

<b>After Amendments</b>	<b>Before Amendments</b>	<b>Note</b>
<p>Article 3.</p> <p>In fulfilling corporate social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p> <p><b><u>In accordance with the principle of materiality, the Company shall conduct risk assessments on environmental, social, and corporate governance issues related to the Company's operations and formulate relevant risk management policies or strategies.</u></b></p>	<p>Article 3.</p> <p>In fulfilling corporate social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p>	<p>To amend the relevant Articles in accordance with the letter Tai-Cheng-Zhi-Li-Tzu No. 1090002299 revised by Taiwan Stock Exchange (“TWSE”) on Feb. 13, 2020.</p>
<p>Article 17.</p> <p><b><u>The Company is advised to assess both present and future potential risks and opportunities related to climate change within the Company and to take action on climate-related issues.</u></b></p> <p>The Company is advised to adopt standards or guidelines</p>	<p>Article 17.</p> <p>The Company is advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <p>1. Direct greenhouse gas emissions: emissions from operations</p>	<p>To amend the relevant Articles in accordance with the letter Tai-Cheng-Zhi-Li-Tzu No. 1090002299 revised by TWSE on</p>

After Amendments	Before Amendments	Note
<p>generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> <li>1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.</li> <li>2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.</li> </ol> <p>The Company is advised to <b><u>provide statistics on its greenhouse gas emissions, water consumption, and total waste weight, formulate policies on</u></b> energy conservation and carbon <b><u>reduction, greenhouse gas reduction, water consumption reduction, and other waste management, and incorporate the acquisition of carbon rights into the Company's carbon reduction strategy planning as a reference for implementation in order to reduce</u></b> the impact of the Company's business operations on climate change.</p>	<p>that are owned or controlled by the company.</p> <ol style="list-style-type: none"> <li>2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.</li> </ol> <p>The Company is advised to <b><u>monitor the impact of climate change on their operations and should establish company strategies for</u></b> energy conservation and carbon <b><u>and</u></b> greenhouse gas reduction <b><u>based upon their operations and the result of a greenhouse gas inventory. Such strategies should include obtaining carbon credits to promote and minimize</u></b> the impact of the Company business operations on climate change.</p>	<p>Feb. 13, 2020.</p>
<p>Article 24.</p> <p>The Company is advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills. The Company shall <b><u>establish and implement reasonable staff benefit measures (including remuneration, holiday and other benefits, etc.) and</u></b> appropriately reflect the corporate business</p>	<p>Article 24.</p> <p>The Company is advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills. The Company shall appropriately reflect the corporate business performance or achievements in the employee remuneration policy, to ensure the recruitment, retention, and motivation of</p>	<p>To amend the relevant Articles in accordance with the letter Tai-Cheng-Zhi-Li-Tzu No. 1090002299 revised by TWSE on Feb. 13, 2020.</p>

After Amendments	Before Amendments	Note
performance or achievements in the employee remuneration policy, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.	human resources, and achieve the objective of sustainable operations.	
<p>Article 29.</p> <p>The Company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. The Company shall follow relevant laws, regulations and international guidelines <b><u>for its products and services in terms of consumer health and safety and customer privacy, marketing and labelling</u></b> and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p>	<p>Article 29.</p> <p>The Company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. The Company shall follow relevant laws, regulations and international guidelines <b><u>when marketing or labeling their products and services</u></b> and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p>	<p>To amend the relevant Articles in accordance with the letter Tai-Cheng-Zhi-Li-Tzu No. 1090002299 revised by TWSE on Feb. 13, 2020.</p>
<p>Article 31.</p> <p>The Company is advised to assess the impact their procurement has on society as well as the environment of the community that the Company is procuring from, and shall cooperate with its suppliers to jointly implement the corporate social responsibility initiative. Prior to engaging in commercial dealings, the Company is advised to <b><u>establish the supplier management policy, requiring its suppliers to comply with relevant standards of environmental protection, occupational safety and health, or labor and human rights issues and assesses the</u></b></p>	<p>Article 31.</p> <p>The Company is advised to assess the impact their procurement has on society as well as the environment of the community that the Company is procuring from, and shall cooperate with its suppliers to jointly implement the corporate social responsibility initiative. Prior to engaging in commercial dealings, the Company is advised to <b><u>assess whether there is any record of a supplier's impact on the environment and society, and</u></b> avoid conducting transactions with those against corporate social responsibility policy. When the Company enter into a contract</p>	<p>To amend the relevant Articles in accordance with the letter Tai-Cheng-Zhi-Li-Tzu No. 1090002299 revised by TWSE on Feb. 13, 2020.</p>

After Amendments	Before Amendments	Note
<p><b><u>supplier's record of environmental and social impact to</u></b> avoid conducting transactions with those against corporate social responsibility policy. When the Company enter into a contract with any of its major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.</p>	<p>with any of its major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.</p>	

**【Attachment 9.】 Amendment Comparison Table of the Rules of Procedure for Broad of Directors Meetings**

## ShunSin Technology Holdings Limited

### Amendment Comparison Table of the Rules of Procedure for Broad of Directors Meetings

After Amendments	Before Amendments	Note
<p>Article 7</p> <p>1. Where a meeting of the board of directors is called by the chairperson of the board, <b><u>the meeting shall be chaired by the chairperson.</u></b> However, <b><u>where</u></b> the first meeting of each newly elected board of directors <b><u>is</u></b> called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, <b><u>the meeting shall be chaired by that director;</u></b> if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to <b><u>chair the meeting.</u></b></p> <p>2. <b><u>Where a meeting of the board of directors is called by a majority of directors on their own initiative refer to with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act (R.O.C.), the directors shall choose one person by and from among themselves to chair the meeting.</u></b></p> <p>3. When the chairperson of the board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson, or, if there is no vice chairperson or the vice chairperson also is on leave or for any reason is unable to act, by a managing director designated by the chairperson, or, if there is no managing director, by a director designated thereby, or, if the chairperson does not make such a designation, by a managing</p>	<p>Article 7</p> <p>1. Meetings of the board of directors shall be called <b><u>and chaired</u></b> by the chairperson of the board. However, the first meeting of each newly elected board of directors <b><u>shall be</u></b> called <b><u>and chaired</u></b> by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to <b><u>do so.</u></b></p> <p>2. When the chairperson of the board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson, or, if there is no vice chairperson or the vice chairperson also is on leave or for any reason is unable to act, by a managing director designated by the chairperson, or, if there is no managing director, by a director designated thereby, or, if the chairperson does not make such a designation, by a managing</p>	<p>Articles in accordance with the letter Jin-Guan-Zheng-Fa-Tzu No.1080361934 issued on Jan. 15, 2020 by Financial Supervisory Commission R.O.C. (Taiwan) (“FSC”).</p>

After Amendments	Before Amendments	Note
<p>director or director elected by and from among themselves.</p> <p>Article 15</p> <p>1. If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.</p> <p>2. <b><u>Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.</u></b></p> <p>3. The provisions of Article 180, paragraph 2 of the Company Act (<b><u>R.O.C.</u></b>), as applied mutatis mutandis under Article 206, paragraph <b><u>4</u></b> of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding <b><u>two</u></b> paragraphs from exercising voting rights.</p>	<p>director or director elected by and from among themselves.</p> <p>Article 15</p> <p>1. If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.</p> <p>2. The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph <b><u>3</u></b> of that Act, apply to resolutions of board of directors meetings when a board director is prohibited by the preceding paragraph from exercising voting rights.</p>	<p>Articles in accordance with the letter Jin-Guan-Zheng-Fa-Tzu No.1080361934 issued on Jan. 15, 2020 by FSC.</p>

**【Attachment 10.】 Amendment Comparison Table of the Memorandum and Articles of Association**

# **ShunSin Technology Holdings Limited**

**Amendment Comparison Table of the Memorandum and Articles of Association**

**A. MEMORANDUM AND ARTICLES OF ASSOCIATION/MEMORANDUM OF ASSOCIATION**

After Amendments	Before Amendments	Note
<p><b><u>THE COMPANIES LAW (2020 Revision)</u></b>  <b><u>Company Limited by Shares</u></b>  <b><u>SEVENTH</u> SIXTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION OF ShunSin Technology Holdings Limited 訊芯科技控股股份有限公司</b></p>	<p><b><u>SIXTH</u> AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION OF ShunSin Technology Holdings Limited 訊芯科技控股股份有限公司</b></p>	<ol style="list-style-type: none"> <li>1. Amendments in response to the Cayman Islands Company Law.</li> <li>2. Description of the number of amendments to the Articles of Association.</li> </ol>
<p><b><u>THE COMPANIES LAW (2020 Revision)</u></b>  <b>Company Limited by Shares</b>  <b><u>SEVENTH</u> AMENDED AND RESTATED</b></p>	<p><b><u>THE COMPANIES LAW (as amended)</u></b>  <b>Company Limited by Shares</b>  <b><u>SIXTH</u> AMENDED AND RESTATED</b></p>	<ol style="list-style-type: none"> <li>1. Amendments in response to the Cayman Islands Company Law.</li> <li>2. Description of the</li> </ol>



After Amendments	Before Amendments	Note
<p align="center"><b>MEMORANDUM OF ASSOCIATION</b></p> <p align="center"><b>OF</b></p> <p align="center"><b>ShunSin Technology Holdings Limited</b></p> <p align="center"><b>訊芯科技控股股份有限公司</b></p>	<p align="center"><b>MEMORANDUM OF ASSOCIATION</b></p> <p align="center"><b>OF</b></p> <p align="center"><b>ShunSin Technology Holdings Limited</b></p> <p align="center"><b>訊芯科技控股股份有限公司</b></p>	<p>number of amendments to the Articles of Association.</p>
<p>4. Except as prohibited or limited by the Companies Law (<b><u>2020 Revision</u></b>),...(The following content omitted.)</p>	<p>4. Except as prohibited or limited by the Companies Law (<b><u>as amended</u></b>),...(The following content omitted.)</p>	<p>Amendments in response to the Cayman Islands Company Law.</p>
<p>6. The authorised share capital of the Company is NTD<b><u>2,000,000,000</u></b> divided into <b><u>200,000,000</u></b> ordinary shares of a par value of NTD10 each with power for the Company, subject to the provisions of the Companies Law (<b><u>2020 Revision</u></b>) and the Articles of Association, to redeem or purchase any of its shares and to sub-divide, increase or reduce the said capital and to issue any part of its capital, whether original, redeemed, increased or reduced, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be ordinary, preference or otherwise, shall be subject to the powers hereinbefore contained.</p>	<p>6. The authorised share capital of the Company is NTD<b><u>1,440,000,000</u></b> divided into <b><u>144,000,000</u></b> ordinary shares of a par value of NTD10 each with power for the Company, subject to the provisions of the Companies Law (<b><u>as amended</u></b>) and the Articles of Association, to redeem or purchase any of its shares and to sub-divide, increase or reduce the said capital and to issue any part of its capital, whether original, redeemed, increased or reduced, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be ordinary, preference or otherwise, shall be subject to the powers hereinbefore contained.</p>	<p>1. Amendments in response to the Cayman Islands Company Law.</p> <p>2. Description of the number of amendments to the Articles of Association.</p>
<p>7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Law (<b><u>2020 Revision</u></b>) and, subject to other provisions of the Companies Law (<b><u>2020</u></b></p>	<p>7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Law (<b><u>as amended</u></b>) and, subject to other provisions of the Companies Law (<b><u>as amended</u></b>)</p>	<p>Amendments in response to the Cayman Islands Company Law.</p>

After Amendments	Before Amendments	Note
<b><u>Revision</u></b> ) and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.	and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.	

## B. ARTICLES OF ASSOCIATION

After Amendments	Before Amendments	Note
<b><u>SEVENTH</u> AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF ShunSin Technology Holdings Limited 訊芯科技控股股份有限公司</b>	<b><u>SIXTH</u> AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF ShunSin Technology Holdings Limited 訊芯科技控股股份有限公司</b>	Description of the number of amendments to the Articles of Association.
<b><u>SEVENTH</u> AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF ShunSin Technology Holdings Limited 訊芯科技控股股份有限公司</b>	<b><u>SIXTH</u> AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF ShunSin Technology Holdings Limited 訊芯科技控股股份有限公司</b>	Description of the number of amendments to the Articles of Association.
1.1 In these <u>Seventh</u> Amended and Restated Articles, the	1.1 In these <u>Sixth</u> Amended and Restated Articles, the	1. Description of the

After Amendments	Before Amendments	Note
<p>following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:</p> <p>(Omitted) Audit Committee                      the audit committee of the Board, which shall comprise solely of <b><u>all the</u></b> Independent Directors of the Company;</p> <p>(Omitted) <b><u>Dissenting Member</u></b>                      <b><u>has the meaning given thereto in Article 27.2;</u></b></p> <p>(Omitted) Law                      The Companies Law <b><u>(2020 Revision)</u></b> of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force;</p> <p>(Omitted) <b><u>Share Swap</u></b>                      <b><u>a 100% share swap as defined in the ROC Business Mergers and Acquisitions Act whereby a company (the "Acquiring Company") acquires all the issued and outstanding shares of</u></b></p>	<p>following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:</p> <p>(Omitted) Audit Committee                      the audit committee of the Board, which shall comprise solely of Independent Directors of the Company;</p> <p>(Omitted)  <b>(Newly added)</b></p> <p>(Omitted) Law                      The Companies Law of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force;</p> <p>(Omitted)  <b>(Newly added)</b></p>	<p>number of amendments to the Articles of Association and the new word's definition.</p> <p>2. To amend the relevant Articles of Association in accordance with the item of "Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation" with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 revised by Taiwan Stock Exchange ("TWSE") on Dec. 25, 2019.</p> <p>3. Amendments in response to the Cayman Islands Company Law.</p>

After Amendments	Before Amendments	Note
<p>(Omitted)</p> <p><b><u>Spin-off</u></b></p> <p>(Omitted)</p> <p><b><u>another company with the consideration being the shares of the Acquiring Company, cash or other assets;</u></b></p> <p><b><u>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 a newly incorporated company (the "Acquirer") with the consideration being the shares of the Acquirer, cash or other assets;</u></b></p>	<p>(Omitted)</p> <p>(Newly added)</p> <p>(Omitted)</p>	
<p>2.4 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 and the Employee Subscription Portion pursuant to Article 2.3</p>	<p>2.4 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 and the Employee Subscription Portion pursuant to Article 2.3</p>	<p>To amend the relevant Articles of Association in accordance with the item of “Checklist of Shareholders Rights Protection with respect to</p>

After Amendments	Before Amendments	Note
<p>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.</p> <p><b><u>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</u></b></p>	<p>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 <b><u>and that if any Member fails to purchase his pro rata portion of such remaining newly-issued shares within the prescribed period, such Member shall be deemed to forfeit his pre-emptive right to purchase such newly-issued shares.</u></b> 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.</p>	<p>Foreign Issuer's Place of Incorporation" with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 revised by TWSE on Dec. 25, 2019.</p>

After Amendments	Before Amendments	Note
<p><b><u>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.</u></b></p>		
<p>2.6 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:</p> <ul style="list-style-type: none"> <li>(a) in connection with a Merger, <b><u>Spin-off, Share Swap</u></b>, or pursuant to any reorganization of the Company;</li> <li>(b) in connection with meeting the Company's obligations under share subscription warrants and/or options, including those rendered in Articles 2.8 and 2.10 hereof;</li> <li>(c) in connection with the issue of Restricted Shares in accordance with Article 2.5 hereof;</li> <li>(d) in connection with meeting the Company's obligations under convertible bonds or corporate</li> </ul>	<p>2.6 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:</p> <ul style="list-style-type: none"> <li>(a) in connection with a Merger, <b><u>spin-off</u></b>, or pursuant to any reorganization of the Company;</li> <li>(b) in connection with meeting the Company's obligations under share subscription warrants and/or options, including those rendered in Articles 2.8 and 2.10 hereof;</li> <li>(c) in connection with the issue of Restricted Shares in accordance with Article 2.5 hereof;</li> <li>(d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares;</li> </ul>	<p>To amend the relevant Articles of Association in accordance with the item of “Checklist of Shareholders Rights Protection with respect to Foreign Issuer’s Place of Incorporation” with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 revised by TWSE on Dec. 25, 2019.</p>

After Amendments	Before Amendments	Note
<p>bonds vested with rights to acquire shares;</p> <p>(e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares;</p> <p>(f) in connection with the issue of shares in accordance with Article 13.7; or</p> <p>(g) in connection with Private Placement of the securities issued by the Company.</p>	<p>(e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares;</p> <p>(f) in connection with the issue of shares in accordance with Article 13.7; or</p> <p>(g) in connection with Private Placement of the securities issued by the Company.</p>	
<p>11.4 Subject to the Law, Article 11.5 and Article 11.6, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution:</p> <p>(a) effecting any capitalization of distributable Dividends and/or bonuses and/or any other amount prescribed under Article 16 hereof;</p> <p>(b) 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), <b><u>Share Swap</u></b>, or <b><u>Spin-off</u></b> of the Company;</p> <p>(c) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;</p> <p>(d) the transferring of the whole or any essential part of the business or assets of the Company; or</p> <p>(e) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation.</p>	<p>11.4 Subject to the Law, Article 11.5 and Article 11.6, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution:</p> <p>(a) effecting any capitalization of distributable Dividends and/or bonuses and/or any other amount prescribed under Article 16 hereof;</p> <p>(b) 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) or <b><u>spin-off</u></b> of the Company;</p> <p>(c) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;</p> <p>(d) the transferring of the whole or any essential part of the business or assets of the Company; or</p> <p>(e) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation.</p>	<p>To amend the relevant Articles of Association in accordance with the item of "Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation" with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 revised by TWSE on Dec. 25, 2019.</p>
<p>11.6 For so long as the shares are listed on the TSE, if the Company proposes to undertake:</p>	<p>11.6 For so long as the shares are listed on the TSE, if the Company proposes to undertake:</p>	<p>The English version of Article of Association is</p>

After Amendments	Before Amendments	Note
<p>(a) a merger or consolidation which will result in the Company being dissolved;</p> <p>(b) a sale, transfer or assignment of all of the Company's businesses and assets;</p> <p>(c) a <u>S</u>hare <u>S</u>wap; or</p> <p>(d) a <u>S</u>pin-off,</p> <p>which would result in the termination of the Company's listing on 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 or who pays cash or uses its assets as the consideration 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 TSE or Taipei Exchange, then in addition to any requirements to be satisfied under the Law, such action shall be first approved by a resolution passed by Members holding two-thirds or more of the votes of the total number of issued shares of the Company.</p>	<p>(a) a merger or consolidation which will result in the Company being dissolved;</p> <p>(b) a sale, transfer or assignment of all of the Company's businesses and assets;</p> <p>(c) a <u>s</u>hare <u>s</u>wap; or</p> <p>(d) a <u>demerger (spin-off)</u>,</p> <p>which would result in the termination of the Company's listing on 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 or who pays cash or uses its assets as the consideration 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 TSE or Taipei Exchange, then in addition to any requirements to be satisfied under the Law, such action shall be first approved by a resolution passed by Members holding two-thirds or more of the votes of the total number of issued shares of the Company.</p>	<p>slightly difference from Chinese version, provided however, the translated Chinese version will not be affect.</p>
<p>19.6 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:</p> <p>(omitted)</p> <p>(e) (i) dissolution, Merger, <u>S</u>hare <u>S</u>wap or <u>S</u>pin-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</p>	<p>19.6 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:</p> <p>(omitted)</p> <p>(e) (i) dissolution, Merger, <u>s</u>hare <u>s</u>wap or <u>s</u>pin-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</p>	<p>The English version of Article of Association is slightly difference from Chinese version, provided however, the translated Chinese version will not be affect.</p>



After Amendments	Before Amendments	Note
<p>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, (omitted)</p>	<p>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, (omitted)</p>	
<p>27.1 Subject to compliance with the Law, in the event any of the following resolutions is passed at general meetings, any Member who has <b><u>abstained from voting in respect of such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during</u></b> the meeting, may request the Company to purchase all of his shares at the then prevailing fair price:</p> <p>(a) the Company proposes to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;</p> <p>(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;</p> <p>(c) <u>the Company</u> acquires or assumes the whole business or assets of another person, which has a material effect on the operation of the Company;</p> <p><b><u>(d) the Company proposes to undertake a Spin-off, Merger or Share Swap; or</u></b></p> <p><b><u>(e) the Company generally assumes all the assets and liabilities of another person or generally assigns all its assets and liabilities</u></b></p>	<p>27.1 Subject to compliance with the Law, in the event any of the following resolutions is passed at general meetings, any Member who has <b><u>notified the Company in writing of his objection to such matter prior to the meeting and has raised again his objection at</u></b> the meeting, may request the Company to purchase all of his shares at the then prevailing fair price:</p> <p>(a) the Company proposes to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;</p> <p>(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; <b><u>or</u></b></p> <p>(c) acquires or assumes the whole business or assets of another person, which has a material effect on the operation of the Company.</p>	<p>To amend the relevant Articles of Association in accordance with the item of “Checklist of Shareholders Rights Protection with respect to Foreign Issuer’s Place of Incorporation” with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 revised by TWSE on Dec. 25, 2019.</p>

After Amendments	Before Amendments	Note
<u>to another person.</u>		
<p>27.2 <u>Without prejudice to the Law, any Member exercising his rights in accordance with Article 27.1 (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 (90)-day period, the Company shall be deemed to agree on the repurchase price proposed by such Dissenting Member.</u></p>	<p>27.2 <u>In the event any part of the Company's business is spun off or involved in any Merger, 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 general meeting approving such spin off or Merger, may request the Company to purchase all of his shares at the then prevailing fair price.</u></p>	<p>To amend the relevant Articles of Association in accordance with the item of "Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation" with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 revised by TWSE on Dec. 25, 2019.</p>
<p>27.3 <u>Without prejudice to the Law, if, within sixty (60) days from the date of the resolution of the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will</u></p>	<p>(Newly added)</p>	<p>To amend the relevant Articles of Association in accordance with the item of "Checklist of</p>

After Amendments	Before Amendments	Note
<p><u>purchase such Dissenting Member's shares, then, within thirty (30) days immediately following the date of the expiry of such sixty (60)-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 27, 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.</u></p>		<p>Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation" with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 revised by TWSE on Dec. 25, 2019.</p>
<p>46.5 Notwithstanding anything to the contrary contained in this Article 46, a Director who has a personal interest in the matter under discussion at a meeting of the Directors shall declare the nature of and the essential contents of his interest at the relevant meeting of the Directors. <u>If the Company proposes to enter into any transaction specified in Article 27.1 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.</u></p>	<p>46.5 Notwithstanding anything to the contrary contained in this Article 46, a Director who has a personal interest in the matter under discussion at a meeting of the Directors shall declare the nature of and the essential contents of his interest at the relevant meeting of the Directors.</p>	<p>To amend the relevant Articles of Association in accordance with the item of "Checklist of Shareholders Rights Protection with respect to Foreign Issuer's Place of Incorporation" with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 revised by TWSE on Dec. 25, 2019.</p>

After Amendments	Before Amendments	Note
<p><b>62.1</b>The Audit Committee 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:.....(The following content omitted.)</p>	<p>The Audit Committee 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:.....(The following content omitted.)</p>	<p>To amend the Number of the Article.</p>
<p><b>62.2</b><u>Subject to compliance with the Law, before the meeting of the Directors resolves any matter specified in Article 27.1 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 the 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 exchange 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</u></p>	<p>(Newly added)</p>	<p>To amend the relevant Articles of Association in accordance with the item of “Checklist of Shareholders Rights Protection with respect to Foreign Issuer’s Place of Incorporation” with Tai-Cheng-Shang-Erh-Tzu No. 1080023568 revised by TWSE on Dec. 25, 2019.</p>

After Amendments	Before Amendments	Note
<u>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 Taiwan securities authority and made available to the Members for their inspection and review at the venue of the general meeting.</u>		

**【Attachment 11.】 Amendment Comparison Table of the Rules of Procedure for Shareholders Meetings**

## ShunSin Technology Holdings Limited

### Amendment Comparison Table of the Rules of Procedure for Shareholders Meetings

After Amendments	Before Amendments	Note
<p>Article 3 .....(The foregoing content omitted)</p> <p>4. Election or dismissal of directors, amendments to the articles of incorporation, <b><u>reduction of capital, application for suspension of public offering, director's competitive license, transfer of surplus to capital increase, transfer of reserve to capital increase</u></b>, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act (R.O.C.) (“Company Act”), <b><u>the main contents thereof</u></b> shall be <b><u>stated</u></b> in the notice of the reasons for convening the shareholders meeting <b><u>and shall not be proposed in</u></b> an extraordinary motion; <b><u>the main contents may be placed on the website designated by the securities regulatory authority or the Company, and the website address shall be specified in the notice.</u></b></p> <p>5. <b><u>The cause for convening the shareholders' meeting has specified the general re-election of the board of directors and the date of their appointment; after completing the re-election, the same meeting shall not change the date of the appointment by provisional motion or other means.</u></b></p> <p>6. A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company 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. <b><u>However, if the shareholder</u></b></p>	<p>Article 3 .....(The foregoing content omitted)</p> <p>4. Election or dismissal of directors, amendments to the articles of incorporation, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act (R.O.C.) (“Company Act”), <b><u>Articles 26-1 and 43-6 of the Securities and Exchange Act (R.O.C.), or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers (R.O.C.)</u></b> shall be <b><u>set out</u></b> in the notice of the reasons for convening the shareholders meeting. <b><u>None of the above matters may be raised by</u></b> an extraordinary motion.</p> <p>5. A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company 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</p>	<p>To amend the relevant Articles in accordance with the letter Tai-Cheng-Zhi-Li-Tzu No. 10800242211 revised by TWSE on Jan. 2, 2020.</p>

After Amendments	Before Amendments	Note
<p><b><u>proposal is a proposal to urge the Company to promote the public interest or fulfill its social responsibility, the board of director should still include the proposal in the meeting agenda.</u></b> 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.</p> <p>7. Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce <b><u>the details of the submissions including proposals will be accepted in written or electronic form,</u></b> the location and time period for their submissions; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>8. 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.</p> <p>9. Prior to the date for issuance of notice of a shareholders meeting, the Company 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.</p>	<p>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.</p> <p>6. Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce <b><u>that it will receive shareholder proposals, and</u></b> the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>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.</p> <p>8. Prior to the date for issuance of notice of a shareholders meeting, the Company 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.</p>	
<p>Article 10</p> <p>1. If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. <b><u>The relevant proposals (including extraordinary motions and amendments to original</u></b></p>	<p>Article 10</p> <p>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</p>	<p>To amend the relevant Articles in accordance with the letter Tai-Cheng-Zhi-</p>

After Amendments	Before Amendments	Note
<p><b><u>motions) shall be voted on a case-by-case basis.</u></b> The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p> <p>.....(The following content omitted.)</p> <p>4. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary 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 <b><u>and arrange a proper voting time.</u></b></p>	<p>the shareholders meeting.</p> <p>.....(The following content omitted.)</p> <p>4. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary 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.</p>	<p>Li-Tzu No. 10800242211 revised by TWSE on Jan. 2, 2020.</p>
<p>Article 13</p> <p>.....(The foregoing content omitted)</p> <p>2. When this Corporation holds a shareholders meeting, it <b><u>be exercised electronically and may be exercised in writing.</u></b> When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; <b><u>it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</u></b></p> <p>.....(The following content omitted.)</p>	<p>Article 13</p> <p>.....(The foregoing content omitted)</p> <p>2. When this Corporation holds a shareholders meeting, it <b><u>may allow</u></b> the shareholders to exercise voting rights by <b><u>correspondence or electronic means.</u></b> When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>.....(The following content omitted.)</p>	<p>To amend the relevant Articles in accordance with the letter Tai-Cheng-Zhi-Li-Tzu No. 10800242211 revised by TWSE on Jan. 2, 2020.</p>
<p>Article 15</p> <p>.....(The foregoing content omitted)</p> <p>3. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the</p>	<p>Article 15</p> <p>.....(The foregoing content omitted)</p> <p>3. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name,</p>	<p>To amend the relevant Articles in accordance with the letter</p>



After Amendments	Before Amendments	Note
<p>methods by which resolutions were adopted, and a summary of the deliberations and <b>voting</b> results <b><u>(including the statistical weight number)</u></b>; <b><u>when a director is elected, the voting weight of each candidate shall be disclosed.</u></b> <b><u>During the Company's existence, these records shall be permanently preserved.</u></b></p>	<p>the methods by which resolutions were adopted, and a summary of the deliberations and <b><u>their</u></b> results, <b><u>and shall be retained for the duration of the existence of the Company.</u></b></p>	<p>Tai-Cheng-Zhi-Li-Tzu No. 10800242211 revised by TWSE on Jan. 2, 2020.</p>

**【Attachment 12.】 The list of the director nominees**

## ShunSin Technology Holdings Limited

**The list of the director nominees of 4<sup>th</sup> BOD**

#	Name	Educational	Main Working Experience and Concurrent positions	Shares hold (Note 2)
1~3	Foxconn (Far East) Limited	Not applicable	Director, Zheng Ding Technology Holding Limited	63,964,800 shares
	Representative: Hsu, Wen-Yi	Bachelor Degree in Chemistry, Chinese Culture University	<ol style="list-style-type: none"> <li>1. Vice General Manager, Siliconware Precision Industries Co., Ltd.</li> <li>2. Vice General Manager, Ambit Corporation</li> <li>3. Senior Vice General Manager, Hon Hai Precision Industry Company Ltd.</li> <li>4. Director, ShunSin Technology Holdings (Hongkong) Limited</li> <li>5. Executive Director / General Manager, ShunSin Technology (Zhong Shan) Limited</li> <li>6. Director, ShunSin Technology (Samoa) Corporation Limited</li> <li>7. Manager, ShunSin Technology Holdings Limited Taiwan Branch</li> <li>8. Representative of legal person as corporate chairman of 3th BOD/ General Manager, ShunSin Technolog Holdings Limited</li> </ol>	1,794,200 shares
	Representative: Yu, Che-Hung	Master Degree in Law, American University	<ol style="list-style-type: none"> <li>1. Representative of legal person as corporate director, Zhen Ding Technology Holdings Limited</li> <li>2. Supervisor, Zhen Ding Technology Holdings Limited</li> <li>3. Supervisor, GARUDA TECHNOLOGY CO.,</li> </ol>	0 share

#	Name	Educational	Main Working Experience and Concurrent positions	Shares hold (Note 2)
			LTD. 4. Director, Avary Holding (Shenzhen) Co., LTD 5. Representative of legal person as corporate director of 3th BOD, ShunSin Technolog Holdings Limited 6. Head of Department of Legal Planning and Management in Finance and Investment, Hon Hai Precision Industry Company Ltd	
	Representative: Ni, Ching-Yu	Doctor of Philosophy in Mechanical Engineering, National Chung Cheng University	1. Project Leader Engineer, Taiwan Semiconductor Manufacturing Company Ltd 2. Senior Manager, Xintec Inc. 3. Manager, Neo Solar Power Corporation 4. Department Manager, Powertech Technology Inc. 5. Representative of legal person as corporate director of 3th BOD, ShunSin Technolog Holdings Limited 6. Direcor of S BU., Hon Hai Precision Industry Company Ltd	0 share
4	Director: Mou, Chung-Hsin	Master Degree in Management, National Taiwan University of Science and Technology	1. Engineer, Corporate Synergy Development Center 2. Motorola Electronics Taiwan Ltd. Manufacturing manager 3. CTS Components Taiwan Production manager 4. Nanning Fu Tai Hong Precision Industrial Co.Ltd. Director /General Manager 5. Director of Manufacture, Hon Hai Precision Industry Company Ltd	0 share
1	Independent director: Chiu, Huang-Chuan	Master Degree in Law, University of Cambridge	1. Lawyer, Baker & McKenzie 2. Lawyer, TAIWAN COMMERCIAL LAW OFFICE 3. Partner, Kew & Lord	0 share

#	Name	Educational	Main Working Experience and Concurrent positions	Shares hold (Note 2)
			<ul style="list-style-type: none"> <li>4. Director, JU-KAO ENGINEERING CO., LTD</li> <li>5. Independent Director / Member of the Compensation Committee, Taiwan High Speed Rail Corporation</li> <li>6. Independent Director / Member of the Compensation Committee, Chunghwa Precision Test Tech. Co., Ltd.</li> <li>7. Director, WATERLAND SECURITIES</li> <li>8. Independent director of 3th BOD / Chairman of the Compensation Committee/ Member of the Audit Committee, ShunSin Technolog Holdings Limited</li> </ul>	
2	Independent director: Ting, Hung-Hsun	Bachelor Degree in Accounting, Chinese Culture University	<ul style="list-style-type: none"> <li>1. Director , CEN LINK CO.,LTD.</li> <li>2. Independent Director, Test Rite Retail Co., Ltd.</li> <li>3. Independent Director, Test Rite Internaional Co., Ltd.</li> <li>4. Supervisor, TIEN LIANG BIOTECH CO., LTD</li> <li>5. Partner, BAKER TILLY CLOCK &amp; CO</li> <li>6. Supervisor, Emerging Display Technologies</li> <li>7. Independent Director / Member of the Compensation Committee / Chairman of the Audit Committee, CyberTAN Technology, Inc.</li> <li>8. Independent Director /Chairman of the Compensation Committee and Audit Committee, ICARES Medicus, Inc.</li> <li>9. Independent director of 3th BOD / Member of the Compensation Committee/ Chairman of the Audit Committee, ShunSin Technolog Holdings Limited</li> </ul>	0 share
3	Independent director:	EMBA, Sun Yat-sen University	<ul style="list-style-type: none"> <li>1. Manager of Underwriting Department, Yuanta</li> </ul>	0 share

#	Name	Educational	Main Working Experience and Concurrent positions	Shares hold (Note 2)
	Lin, Ying-Shan	Master of Management Science, Master Degree in Management Science, Kaohsiung Polytechnic Institute	<p>Core Pacific Securities Co., Ltd.</p> <p>2. Director, Emerging Display Technologies</p> <p>3. General Manager / Director, Mildex Optical Inc.</p> <p>4. Independent Director / Chairman of the Compensation Committee and Audit Committee, TAYIH LUN AN CO., LTD.</p> <p>5. Independent Director / Chairman of the Compensation Committee / Member of the Audit Committee, CyberTAN Technology, Inc.</p> <p>6. Independent director of 3th BOD / Member of the Compensation Committee and Audit Committee, ShunSin Technolog Holdings Limited</p>	

Note 1 : The list of the director nominees has been approved by the 28th Board meeting on April 27, 2020

Note 2 : It is the information on April 17, 2020.

**【 Attachment 13.】 The situation of the current position in other entity of the director nominees**

## ShunSin Technology Holdings Limited

**The situation of the current position in other entity of the director nominees of the 4rd Board of Directors**

<b>Title</b>	<b>Name</b>	<b>Concurrent positions in other enterprise</b>
Director Nominees	Legal person as corporate director : Foxconn (Far East) Limited	Director, Zheng Ding Technology Holding Limited
	Representative: Hsu, Wen-Yi	<ol style="list-style-type: none"> <li>1. Director, ShunSin Technology Holdings (Hongkong) Limited</li> <li>2. Executive Director / General Manager, ShunSin Technology (Zhong Shan) Limited</li> <li>3. Director, ShunSin Technology (Samoa) Corporation Limited</li> <li>4. Manager, ShunSin Technology Holdings Limited Taiwan Branch</li> <li>5. General Manager, ShunSin Technolog Holdings Limited</li> </ol>
	Yu, Che-Hung	<ol style="list-style-type: none"> <li>1. Representative of legal person as corporate director, Zhen Ding Technology Holdings Limited</li> <li>2. Supervisor, Zhen Ding Technology Holdings Limited</li> <li>3. Supervisor, GARUDA TECHNOLOGY CO., LTD.</li> <li>4. Director, Avary Holding (Shenzhen) Co., LTD</li> <li>5. Head of Department of Legal Planning and Management in Finance and Investment, Hon Hai Precision Industry Company Ltd</li> </ol>
	Ni, Ching-Yu	Director of S BU. , Hon Hai Precision Industry Company Ltd
	Mou, Chung-Hsin	NA
Independent director Nominees	Chiu, Huang-Chuan	<ol style="list-style-type: none"> <li>1. Partner, Kew &amp; Lord</li> <li>2. Director, JU-KAO ENGINEERING CO., LTD</li> <li>3. Independent Director / Member of the Compensation Committee, Taiwan High Speed Rail Corporation</li> <li>4. Independent Director / Member of the Compensation Committee, Chunghwa Precision Test Tech. Co., Ltd.</li> <li>5. Director, WATERLAND SECURITIES</li> </ol>
	Ting, Hung-Hsun	<ol style="list-style-type: none"> <li>1. Partner, BAKER TILLY CLOCK &amp; CO</li> </ol>

Title	Name	Concurrent positions in other enterprise
		2. Supervisor, Emerging Display Technologies 3. Independent Director / Member of the Compensation Committee / Chairman of the Audit Committee, CyberTAN Technology, Inc. 4. Independent Director / Chairman of the Compensation Committee and Audit Committee, ICARES Medicus, Inc. 5. Director , CEN LINK CO., LTD.
	Lin, Ying-Shan	1. General Manager / Director, Mildex Optical Inc. 2. Independent Director / Chairman of the Compensation Committee and Audit Committee, TAYIH LUN AN CO., LTD. 3. Independent Director / Chairman of the Compensation Committee / Member of the Audit Committee, CyberTAN Technology, Inc.

## **IV. Appendices**

### **【Appendices 1.】 Sixth Amended and Restated Memorandum and Articles of Association**

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

**ShunSin Technology Holdings Limited**

**訊芯科技控股股份有限公司**

(adopted by a Special Resolution passed on [June 24], 2019 and effective immediately upon passing of the Special Resolution)

Incorporated on the 8th day of January, 2008

**INCORPORATED IN THE CAYMAN ISLANDS**



**THE COMPANIES LAW (as amended)**  
**Company Limited by Shares**  
**SIXTH AMENDED AND RESTATED**  
**MEMORANDUM OF ASSOCIATION**  
**OF**

**ShunSin Technology Holdings Limited**  
**訊芯科技控股股份有限公司**

(adopted by a Special Resolution passed on [June 24], 2019 and effective immediately upon passing of the Special Resolution)

1. The name of the Company is ShunSin Technology Holdings Limited 訊芯科技控股股份有限公司.
2. The Registered Office of the Company shall be at the offices of Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands or at such other place as the Directors may from time to time decide.
3. The objects for which the Company is established are unrestricted and shall include, but without limitation, the following:
  - (a) (i) To carry on the business of an investment company and to act as promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.
  - (ii) To carry on whether as principals, agents or otherwise howsoever the business of realtors, developers, consultants, estate agents or managers, builders, contractors, engineers, manufacturers, dealers in or vendors of all types of property including services.
- (b) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.
- (c) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, policies, book debts, business concerns, undertakings, claims, privileges and choses in action of all kinds.
- (d) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or cooperation with any person or company and to promote and aid in promoting, to constitute, form or organise any company, syndicate or partnership of any kind, for the purpose of acquiring and undertaking any property and liabilities of the Company or of advancing, directly or indirectly, the objects of the Company or for any other purpose which the Company may think expedient.
- (e) To stand surety for or to guarantee, support or secure the performance of all or any or the obligations of any

person, firm or company whether or not related or affiliated to the Company in any manner and whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by any such method and whether or not the Company shall receive valuable consideration thereof.

- (f) To engage in or carry on any other lawful trade, business or enterprise which may at any time appear to the Directors of the Company capable of being conveniently carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the Directors or the Company likely to be profitable to the Company.

In the interpretation of this Memorandum of Association in general and of this Clause 3 in particular no object, business or power specified or mentioned shall be limited or restricted by reference to or inference from any other object, business or power, or the name of the Company, or by the juxtaposition of two or more objects, businesses or powers and that, in the event of any ambiguity in this clause or elsewhere in this Memorandum of Association, the same shall be resolved by such interpretation and construction as will widen and enlarge and not restrict the objects, businesses and powers of and exercisable by the Company.

- 4. Except as prohibited or limited by the Companies Law (as amended), the Company shall have full power and authority to carry out any object and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company, and the power to do any of the following acts or things, viz: to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the undertaking or on all or any of the assets of the Company including uncalled capital or without security; to invest monies of the Company in such manner as the Directors determine; to promote other companies; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to Members of the Company; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers, employees, past or present and their families; to purchase Directors and officers liability insurance and to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Directors, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid PROVIDED THAT the Company shall only carry on the businesses for which a licence is required under the laws of the Cayman Islands when so licensed under the terms of such laws.
- 5. The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.
- 6. The authorised share capital of the Company is NTD1,440,000,000 divided into 144,000,000 ordinary shares of a par value of NTD10 each with power for the Company, subject to the provisions of the Companies Law (as amended) and the Articles of Association, to redeem or purchase any of its shares and to sub-divide, increase or reduce the said capital and to issue any part of its capital, whether original, redeemed, increased or reduced, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be ordinary, preference or otherwise, shall be subject to the powers hereinbefore contained.
- 7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Law (as amended) and, subject to other provisions of the Companies Law (as amended) and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

**SIXTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION  
OF**

**ShunSin Technology Holdings Limited**

**訊芯科技控股股份有限公司**

**(Adopted by a Special Resolution passed on [June 24], 2019 and effective  
immediately upon passing of the Special Resolution)**

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**SIXTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION  
OF  
ShunSin Technology Holdings Limited  
訊芯科技控股股份有限公司**  
**(adopted by a Special Resolution passed on [June 24], 2019 and effective immediately  
upon passing of the Special Resolution)**

**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 Sixth 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, the Securities and Exchange Law, the rules and regulations promulgated by the FSC 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 34.5; these Articles of Association as altered from time to time;
Audit Committee	the audit committee of the Board, which shall comprise solely of Independent Directors of the Company;
Board	the board of directors appointed or elected pursuant to these Articles and acting at a meeting of directors at which there is a quorum in accordance with these Articles;
Capital Reserve	for the purpose of these Articles only, comprises of the premium paid on the issuance of any share and income from endowments received by the Company under the Law;
Chairman	the Director elected amongst all the Directors as the chairman of the Board;
Company	ShunSin Technology Holdings Limited 訊芯科

	技控股股份有限公司;
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 34.2;
Directors	the directors for the time being of the Company and shall include any and all Independent Director(s);
Dividend	means any dividend resolved to be paid on the shares of the Company pursuant to the Articles;
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;
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;
Joint Operation Contract	a contract between the Company and one or more person(s) or entity(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 of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force;
Lease Contract	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	<p><b>a transaction whereby:</b></p> <p><b>(a) (i) all of the companies participating in such transaction are combined into a new company, which new company generally assumes all rights and obligations of the combined companies; or</b></p> <p><b>(ii) all of the companies participating in such transaction are merged into one of such companies as the surviving company, and the surviving company generally assumes all rights and obligations of the merged companies, and in each case the consideration for the transaction being the shares of the surviving or new company or any other company, cash or other assets; or</b></p> <p>(b) other forms of mergers and acquisitions which fall within the definition of "merger and/or consolidation" under the Applicable Public Company Rules;</p>
month	calendar month;
Notice	written notice as further provided in these 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 of the votes cast;
Preferred Shares	has the meaning given thereto in Article 6;
Private Placement	means, after the shares are listed on the TSE, 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 these Articles;

Register of Members	the register of members of the Company maintained in accordance with the Law and (as long as the Company is listed on the TSE,) 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 34.6;
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 NT\$10 each in the Company;
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;
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; (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation; (3) the entity, one half or more of whose shareholders involved in management or board of directors are concurrently acting as the shareholders involved in management or board of directors of such company; and (4) the entity, one half or more of whose total number of issued voting shares or the total amount of the share capital are held by the same shareholder(s) of such company;
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;
Treasury Shares	has the meaning given thereto in Article 3.12;
TDCC	means the Taiwan Depository & Clearing Corporation;
TSE	the Taiwan Stock Exchange Corporation; and
year	calendar year.

**1.2** In these 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 these 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 these Articles.

**1.3** In these Articles expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.

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

## **SHARES**

### **2. Power to Issue Shares**

**2.1** Subject to these 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.

**2.2** Unless otherwise provided in these 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.

- 2.3** Where the Company increases its issued share capital by issuing new shares for cash consideration in the ROC, the Company shall allocate ten per cent (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 TSE for the Company to conduct the aforementioned public offering or otherwise provided by the 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 ten percent (10%) to fifteen per cent (15%) of such new shares to be issued for subscription by the employees of the Company and its Subsidiaries (the "**Employee Subscription Portion**").
- 2.4** 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 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 and that if any Member fails to purchase his pro rata portion of such remaining newly-issued shares within the prescribed period, such Member shall be deemed to forfeit his pre-emptive right to purchase such newly-issued shares. 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.
- 2.5** Subject to the provisions of the 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 listed on the TSE, 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.
- 2.6** 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, 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 2.10 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 13.7; or
- (g) in connection with Private Placement of the securities issued by the Company.

**2.7** The Company shall not issue any unpaid shares or partly paid-up shares.

**2.8** 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.

**2.9** Options, warrants or other similar instruments issued in accordance with Article 2.8 above are not transferable save by inheritance.

**2.10** 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.

### **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 a redeemable share shall indicate that the share is redeemable.

**3.5** Subject to the provisions of the Applicable Law and these 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.

**3.6** In the event that the Company proposes to purchase any share listed on the TSE 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 listed on the TSE for any reason.

**3.7** The redemption price may be paid in any manner authorised by Article 15.1.

**3.8** 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.

- 3.9** 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).
- 3.10** 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.
- 3.11** No share may be redeemed unless it is fully paid-up.
- 3.12** Shares that the Company purchases, redeems or acquires (by way of surrender or otherwise) shall be cancelled immediately or held as treasury shares ("**Treasury Shares**") at the discretion of the Directors.
- 3.13** 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.
- 3.14** 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 these Articles or the Law.
- 3.15** After the Company purchases the shares listed on the TSE, 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 extemporary 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 (2) years.
- 3.16** Subject to Article 3.15 and the Applicable Public Company Rules, Treasury Shares may be disposed of by the Company on such terms and conditions as determined by the Directors.

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

Subject to Article 2.1, the Memorandum and these 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 these 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** 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. 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.
- 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** Notwithstanding any provisions of these Articles, 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 the rights and obligations of Preferred Shares to be set forth in these Articles.
- 6.2** 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 listed on the TSE, the Board shall cause to be kept a Register of Members which may be kept outside the Cayman Islands at such place as the Directors 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 listed on the TSE, 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 listed on the TSE 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.
- 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 these 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, and in such case the person becoming entitled to a share shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member  
• (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s), and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assignees, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [ ] day of [ ], 201[ ]

Signed by:

In the presence of:

\_\_\_\_\_  
Transferor

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Transferee

\_\_\_\_\_  
Witness

- 10.3** On the presentation of the foregoing materials to the Board, accompanied by such 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 9.5 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.

## ALTERATION OF SHARE CAPITAL

### 11. Power to Alter Capital

- 11.1** Subject to the Law, the Company may from time to time by Ordinary Resolution alter the conditions of its Memorandum to increase its authorized share capital by new shares of such

amount as it thinks expedient.

**11.2** Subject to the Law, the Company may from time to time by Ordinary Resolution alter the conditions of its Memorandum to:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares in such manner as permitted by Applicable Law; or
- (b) convert all or any of its paid up shares into stock, and reconvert that stock into paid-up shares of any denomination; or
- (c) subdivide 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; or
- (d) cancel 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 in such manner as permitted by Applicable Law.

**11.3** 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; or
- (d) reduce its share capital and any capital redemption reserve fund.

**11.4** Subject to the Law, Article 11.5 and Article 11.6, 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 16 hereof;
- (b) 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) or spin-off of the Company;
- (c) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
- (d) the transferring of the whole or any essential part of the business or assets of the Company; or
- (e) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation.

**11.5** 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 11.5(a) above.

**11.6** For so long as the shares are listed on the TSE, 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 businesses and assets;
- (c) a share swap; or



(d) a demerger (spin off),

which would result in the termination of the Company's listing on 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 or who pays cash or uses its assets as the consideration 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 TSE or Taipei Exchange, then in addition to any requirements to be satisfied under the Law, such action shall be first approved by a resolution passed by Members holding two-thirds or more of the votes of the total number of issued shares of the Company.

**11.7** 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 the Applicable Public Company Rules; provided that, for issuance of straight corporate bonds by way of Private Placement within the territory of the ROC, the Company may do so by resolution of the Board and such issuance can be in a single or a series of tranches to take place within one year from the date of the resolution of the Board in accordance with the Applicable Public Company Rules.

**11.8** Subject to the Law, the Company may by Supermajority Resolution, distribute its Capital Reserve, in whole or in part, by issuing new Shares which shall be distributed as bonus shares to its original Members in proportion to the number of Shares being held by each of them or by cash.

## **12. 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**

### **13. Dividends**

**13.1** The Board may, subject to these 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, shares or, subject to Article 13.2, wholly or partly in specie. No unpaid Dividend shall bear interest as against the Company.

**13.2** Subject to the provisions of Article 13.1 hereof and approval by Members by way of Ordinary Resolution, the Directors may determine that a Dividend shall be paid wholly or partly by the distribution of specific assets (which may consist of the shares or securities of any other company) and may settle all questions concerning such distribution, subject, however to obtaining the prior consent of any shareholder to whom it is proposed to make a distribution in specie and an assurance on the valuation of the assets for distribution from an ROC certified public accountant, prior to the Directors fixing the value of the assets for distribution. The Directors may make cash payments to some Members on the footing of the value so fixed in order to adjust the rights of Members. Without limiting the foregoing generality, the Directors

may vest any such specific assets in trustees on such terms as the Directors think fit and may issue fractional shares.

- 13.3** Subject to the Applicable 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, in the case of dividends in the form of cash, a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, or, in the case of dividends in the form of shares as provided in Article 11.4(a), the Board and sanctioned by the Members by a Supermajority Resolution, in general meetings; provided that after the Board approves the distribution of dividend in cash, the Board shall report such distribution in the recent annual general meeting. 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.
- 13.4** Upon the final settlement of the Company's accounts, if there is "surplus profit" (as defined below), the Company shall set aside no less than five per cent (5%) 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 zero point one per cent (0.1%) 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 abovementioned distributions and allocation. The "surplus profit" referred to above means the net profit before tax and for the avoidance of doubt, such amount is before any payment of compensation to employees and remuneration for the Directors.
- 13.5** In determining the Company's dividend policy, the Board recognises that the Company operates in a mature industry, and has stable profit streams and a sound financial structure. In determining the amount, if any, of the Dividend or other distribution it recommends to Members for approval in any financial year, the Board:
- (a) may take into consideration the earnings of the Company, overall development, financial planning, capital needs, industry outlook and future prospects of the Company in the relevant financial year, so as to ensure the protection of Members' rights and interests; and
  - (b) 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 a general reserve ("**Statutory Reserve**") (unless the Statutory Reserve has reached the total paid-up capital of the Company), and (iv) a special surplus reserve as required by the applicable securities authority under the Applicable Public Company Rules or a reserve as determined by the Board pursuant to Article 14.1.
- 13.6** Subject to compliance with the Law and after setting aside the amounts for Employees' Compensations and Directors' Remuneration in accordance with Article 13.4 and such amounts as the Board deems fit in accordance with the distribution policy set out in Article 13.5, the Board shall recommend to distribute no less than ten per cent (10%) of the earnings generated

from the immediately preceding financial year (exclusive of those accumulated from previous years) out of the distributable amount as Dividend to the Members.

- 13.7** Dividends to the Members and the Employees' Compensation may be distributed, in the discretion of the Board, by way of cash or by way of applying such sum in paying up in full unissued shares or a combination of both for allocation and distribution to employees or the Members, provided that, in the case of a distribution to Members, no less than fifty per cent (50%) of the total amount of such Dividend shall be paid in cash. No unpaid Dividend and compensation shall bear interest as against the Company.
- 13.8** The Board shall fix any date as the record date for determining the Members entitled to receive any Dividend or other distribution.
- 13.9** 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. Capital Reserve and Power to Set Aside Profits**

- 14.1** 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 Directors either be employed in the business of the Company or invested in such investment as Directors may from time to time think fit, and need not be kept separate from other assets of the Company. The Directors may also, without placing the same to reserve, carry forward any profit which they decide not to distribute.
- 14.2** Subject to any direction from the Company in general meeting, the Directors may on behalf of the Company exercise all the powers and options conferred on the Company by the Law in regard to the Capital Reserve. Subject to compliance with the Law, the Directors may on behalf of the Company set off accumulated losses against credits standing in the Capital Reserve and make distributions out of the Capital Reserve.

#### **15. Method of Payment**

- 15.1** 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.
- 15.2** 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. Capitalisation**

Subject to the Law and Article 11.4(a), the Board may capitalise any sum for the time being standing to the credit of the Capital Reserve or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.

## **MEETINGS OF MEMBERS**

### **17. Annual General Meetings**

- 17.1** The Company shall hold a general meeting as its annual general meeting within six months following the end of each fiscal year. The Board shall call all annual general meetings.
- 17.2** The general meetings (including annual general meetings and extraordinary general meetings) shall be held at such time and place as the Chairman or any two Directors or any Director and the Secretary or the Board shall appoint provided that 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 thereof within two (2) 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).

### **18. Extraordinary General Meetings**

- 18.1** General meetings other than annual general meetings shall be called extraordinary general meetings.
- 18.2** The Board may convene an extraordinary general meeting of the Company whenever in their judgment such a meeting is necessary or is desirable, and the Board shall on a Member's requisition as defined in Article 18.3 forthwith proceed to convene an extraordinary general meeting of the Company.
- 18.3** A Member's requisition set forth in Article 18.2 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.
- 18.4** The Member's requisition must state in writing the matters to be discussed at the extraordinary general meeting and the reason therefor and must be signed by the requisitionists and deposited at the Registered Office and the Company's stock affairs agent located in the ROC, and may consist of several documents in like form each signed by one or more requisitionists.
- 18.5** 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, provided that if the extraordinary general meeting will be held outside the ROC, an application shall be submitted by such requisitionists to the TSE for its prior approval.
- 18.6** Any one or more Member(s) may summon an extraordinary general meeting, provided that such Member or Members shall hold in aggregate more than half of the total number 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.
- 18.7** 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 necessary.

### **19. Notice**

- 19.1** At least thirty (30) days' notice of an annual 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.

- 19.2** At least fifteen (15) 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.
- 19.3** 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 the Applicable Public Company Rules and close its Register of Members accordingly in accordance with the Applicable Public Company Rules.
- 19.4** Subject to Article 22.4, 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.
- 19.5** For so long as the shares are listed on the TSE, 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 19.1 and Article 19.2 hereof, and shall transmit the same via the Market Observation Post System in accordance with the 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 19.1 and Article 19.2. The Directors shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be sent to or made available to all Members and shall be transmitted to the Market Observation Post System in a manner consistent with the Applicable Public Company Rules twenty-one (21) days prior to the general meetings or, in the case of extraordinary general meetings, fifteen (15) days prior to such meeting.
- 19.6** 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 16,
  - (h) making distributions of new shares or cash out of the Statutory Reserve and the Capital Reserve to its Members, and
  - (i) Private Placement of any equity-related securities to be issued by the Company.

The major contents of the above matters can be announced at the website designated by Taiwan securities authority or by the Company, and the Company shall specify the link to the

website in the notice of the relevant general meeting.

- 19.7** 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, transcribe 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.
- 19.8** 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.
- 19.9** 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.

## **20. Giving Notice**

- 20.1** Any Notice or document, whether or not to be given or issued under these Articles from the Company to a Member, shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication, and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed 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 or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the Notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or to the extent permitted by the Applicable Law, may also be served by advertisement in appropriate newspapers. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.
- 20.2** Any Notice or other document:
- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service, or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
  - (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent;
  - (c) if served or delivered in any other manner contemplated by these Articles, shall be deemed

to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and

- (d) may be given to a Member either in the English language or the Chinese 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 these Articles.

## **21. Postponement of General Meeting**

The Board may postpone any general meeting called in accordance with the provisions of these 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 these Articles.

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

- 22.1** 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.
- 22.2** 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.
- 22.3** Unless otherwise provided in the Articles, a resolution put to the vote of the meeting shall be decided on a poll. No resolution put to the vote at the meeting shall be decided by a show of hands.
- 22.4** If and to the extent permitted under the Cayman Islands law, nothing in these 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 thirty (30) days after passing of such resolution. The Taiwan Taipei District Court, ROC, may be the court of the first instance for adjudicating any disputes arising out of the foregoing.
- 22.5** 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.
- 22.6** 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 by 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 the Applicable Law specifying the place and a period of not less than ten (10) days for Members to submit proposals. The Board shall include such proposal in the agenda of the annual general meeting 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. Chairman to Preside**

Unless otherwise agreed by a majority of the Members attending and entitled to vote thereat, the Chairman, shall act as chairman at all meetings of the Members at which such person is present. In his absence a chairman shall be appointed or elected in accordance with the Applicable Public Company Rules.

## **24. Voting on Resolutions**

- 24.1** 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. If a Member holds shares for the benefit of others, such Member needs not use all his votes or cast all the votes he holds in the same way as he uses his votes in respect of the shares he holds for himself and he may exercise his voting power separately. The qualifications, scope, methods of exercise, operating procedures and other matters in respect of exercising voting power separately shall comply with the Applicable Public Company Rules.
- 24.2** 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.
- 24.3** 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.
- 24.4** 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, if a general meeting is to be held outside the ROC or pursuant to the Applicable Public Company Rules, the Company is obligated to provide the Members with a method for exercising their voting power by way of a written ballot or electronic transmission. 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.



- 24.5** 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 24.4 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 24.4 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.
- 24.6** A Member who has served the Company with his voting decision in accordance with Article 24.4 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 these 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.

## **25. Proxies**

- 25.1** 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.
- 25.2** An instrument of proxy shall be in writing, be executed under the hand of the appointor or of his attorney duly authorised in writing, 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.
- 25.3** Subject to the Applicable Public Company Rules, except for an ROC trust enterprise or stock affairs agent approved pursuant to Applicable Public Company Rules, save with respect to the Chairman being deemed appointed as proxy under Article 24.4, 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.
- 25.4** 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 written 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.
- 25.5** 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 24.4. 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.

## **26. Proxy Solicitation**

For so long as the shares are listed on the TSE, 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".

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

**27.1** Subject to compliance with the Law, in the event any of the following resolutions is passed at general meetings, any Member who has notified the Company in writing of his objection to such matter prior to the meeting and has raised again his objection at 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; or
- (c) acquires or assumes the whole business or assets of another person, which has a material effect on the operation of the Company.

**27.2** In the event any part of the Company's business is spun off or involved in any Merger, 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 general meeting approving such spin off or Merger, may request the Company to purchase all of his shares at the then prevailing fair price.

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

**28.1** 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.

**28.2** 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.

**28.3** If the number of shares pledged by a Director at any time amounts to more than fifty per cent (50%) of the total shares held by such Director at the time of his latest appointment, such pledged shares exceeding fifty per cent (50%) of the total shares held by such 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.

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

In the case of 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.

## **30. Representation of Corporate Member**

**30.1** 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.

**30.2** 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.

## **31. 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, 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 these Articles.

## **32. 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**

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

**33.1** 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.

**33.2** Unless otherwise approved by the FSC, 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.

**33.3** 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 33.2 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 33.2 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.

**33.4** Unless otherwise permitted under the Applicable Public Company Rules, there shall be at least three (3) Independent 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.

**33.5** 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. 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.

#### **34. Election of Directors**

**34.1** The Company may at a general meeting elect any person to be a Director, which vote shall be calculated in accordance with Article 34.2 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.

**34.2** The election of Independent Directors and non-independent Directors shall be held together and 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:

- (i) the numbers of votes attached to each voting share held by a Member shall be cumulative and correspond to the number of Directors (including the Independent Directors and non-independent Directors) nominated for appointment at the general meeting;
- (ii) the Member(s) may vote all or part of their cumulated votes in respect of one or more Independent Director or non-independent Director candidates;
- (iii) such number of Director candidates receiving the highest number of votes in the same category of Directors to be elected shall be appointed; and
- (iv) where two or more Director candidates receive the same number of votes and as a result the total number of new Directors 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.

**34.3** 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, an extraordinary general meeting to elect succeeding Independent Directors to fill the vacancies.

- 34.4** If the number of Directors is less than five (5) 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.
- 34.5** 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 34.
- 34.6** 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 34.1, 34.2 and 34.5 do not apply in respect of the Replacement.

### **35. Removal of Directors**

- 35.1** The Company may from time to time by Supermajority Resolution remove any Director from office, whether or not appointing another in his stead. Prior to the expiration of the term of office of the current Directors, the Members may at a general meeting re-elect all Directors, whose vote shall be calculated in accordance with Article 34.2 above. If no resolution is passed to approve that the existing Director(s) who is/are not re-elected at the general meeting shall remain in office until expiry of his/her original term of office, such non-re-elected Directors shall vacate their office with effect from the date the other Directors elected or re-elected at the same general meeting commence their 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.
- 35.2** 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 these 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 the Applicable Law, institute a lawsuit to remove such Director. The Taiwan Taipei District Court, ROC, may be the court of the first instance for this matter.

### **36. Vacation of Office of Director**

- 36.1** The office of Director shall be vacated if:
- (a) the Director is removed from office pursuant to Article 35.1;
  - (b) the corporation (or other legal entity) which appointed an Appointed Representative, serves notice on the Company giving notice to remove such Appointed Representative from the office of Director, such removal 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;
  - (c) the Director dies;

- (d) the Director is automatically discharged from his office in accordance with Article 33.3;
- (e) the Director resigns his office by notice in writing to the Company;
- (f) if the Director is the subject of a court order for his removal in accordance with Article 35.2; or
- (g) 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 such 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 the Applicable Law;
  - (iii) the Director has been adjudicated of the commencement of assistantship (as defined under the Taiwan 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 (5) years, or (D) was pardoned for less than five (5) 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 (1) year by a final judgement, 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 (2) years;
  - (vi) the Director has been adjudicated guilty by a final judgment for committing offenses under the Taiwan Anti-Corruption Act during the time of his public service, 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 (2) 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 36.1(g) has occurred in relation to a candidate for election of Director, such person shall be disqualified from being elected as a Director.

**36.2** In case a Director (other than an Independent Director) that has, during the term of office as a Director (other than an Independent Director), transferred more than one half of the Company's shares being held by him/her at the time he/she is elected, he/she shall, ipso facto, be removed automatically from the position of Director with immediate effect and no shareholders' approval shall be required.

**36.3** If any Director (other than an Independent Director) has, after having been elected and before his/her inauguration of the office of director, transferred more than one half of the Company's shares being held by him/her at the time of his/her election as a Director, then he/she shall immediately cease to be a Director and no shareholders' approval shall be required. If any Director has, after having been elected as a Director, transferred more than one half of the Company's shares being held by him/her within the share transfer prohibition period prior to the convention of a shareholders' meeting according to the Applicable Public Company Rules, then he/she shall immediately cease to be a Director and no shareholders' approval shall be required.

### **37. Compensation of Directors**

- 37.1** 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.
- 37.2** The compensation referred in the preceding Article shall include the compensation, stock option and other incentive payments of Directors and managers of the Company.
- 37.3** 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.

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

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.

### **39. 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 these Articles, required to be exercised by the Company in general meeting subject, nevertheless, to these Articles, the provisions of the Law, and to such directions as may be prescribed by the Company in general meeting.

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

Without limiting the generality of Article 39, the Board may subject to Article 11.4:

- (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 these 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.

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

**41.1** 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.

**41.2** The Board shall, within the period of thirty (30) 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.

#### **42. 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 these Articles.

#### **43. Appointment of Officers**

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



#### **44. 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.

#### **45. Compensation of Officers**

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

#### **46. Conflicts of Interest**

**46.1** 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 46.1 shall not apply to Independent Directors.

**46.2** A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by the Applicable Law.

**46.3** Notwithstanding anything to the contrary contained in this Article 46, 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. Where the spouse, the person related to a Director by blood and within the second degree, or any company which has a controlling or controlled relation 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.

**46.4** Notwithstanding anything to the contrary contained in this Article 46, 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.

**46.5** Notwithstanding anything to the contrary contained in this Article 46, a Director who has a personal interest in the matter under discussion at a meeting of the Directors shall declare the nature of and the essential contents of his interest at the relevant meeting of the Directors.

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

**47.1** 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 or dishonesty which may attach to any of the said persons and shall not relieve their duties provided under Article 47.4.

**47.2** 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.

**47.3** 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 (6) 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 Taiwan 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 Taiwan Taipei District Court, ROC for and on behalf of the Company against any of the Directors;

within thirty (30) days after the 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, to the extent permitted under the laws of the Cayman Islands, such Member(s) may file a petition with the Taiwan Taipei District Court, ROC for and on behalf of the Company against any of the Directors.

**47.4** Without prejudice to the duties owed by a Director to the Company under common law of the Cayman Islands and subject to the Law, a Director shall assume fiduciary duty to the Company and without limitation, shall exercise due care of a good administrator in conducting the business operation of the Company. A Director shall be liable to the Company if he has acted contrary to the above. In case such action is made for himself or on behalf of another person in violation of the provisions above, the Company may, with the sanction of an Ordinary Resolution, demand the Director to pay to the Company any profit so realized by the Director as a consequence of his breaching the duties described in the preceding sentences and as if such misconduct is done for the benefit of the Company. If a Director and/or an Officer of the Company has, in the course of conducting the business operations, violated any provision of the applicable laws and/or regulations and thus caused damage to any other person, he shall be liable, jointly and severally with the Company, for the damage to such other person.

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

### **48. Board Meetings**

Subject to the Applicable Public Company Rules, the Chairman may call a meeting of the Board and the Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. The Company shall hold, or cause to be held, regular meetings of the Board at least on a quarterly basis to review the Company's performance during the previous fiscal quarter and to decide on matters customarily requiring approval of the Board as stipulated herein. A resolution put to the

vote at a meeting of the Board shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail.

#### **49. Notice of Board Meetings**

The Chairman may, and the Secretary on the requisition of the Chairman shall, at any time summon a meeting of the Board. 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 a majority of the Directors, the meeting may be convened with a shorter notice period in a manner consistent with the Applicable Public Company Rules. Notice of a meeting of the Board shall be deemed to be duly given to a Director if, to the extent permitted by the Applicable Law, it is given to such Director verbally (in person or by telephone) or otherwise communicated or sent to such Director by post, cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form at such Director's last known address or any other address given by such Director to the Company for this purpose.

#### **50. 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.

#### **51. 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. Any of the Directors may appoint another Director to represent him at any meeting of the Board if such Director is unable to do so in person for any cause. If a Director appoints a proxy then for all purposes the presence or vote of the proxy shall be deemed to be that of the appointing Director. The appointed Director may only act as the proxy of one Director only.

#### **52. Board to Continue in the Event of Vacancy**

The Board may act notwithstanding any vacancy in its number.

#### **53. Chairman to Preside**

Unless otherwise agreed by a majority of the Directors attending, 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.

#### **54. Validity of Prior Acts of the Board**

No regulation or alteration to these 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**

#### **55. 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.

## **56. Register of Mortgages and Charges**

- 56.1** The Directors shall cause to be kept the Register of Mortgages and Charges required by the Law.
- 56.2** 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.

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

- 57.1** 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.
- 57.2** 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.
- 57.3** 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 used.

## **TENDER OFFER AND ACCOUNTS**

## **58. Tender Offer**

Within seven (7) 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) recommendations to the Members on the tender offer, which shall set forth the names of the Directors who abstain or object to the tender offer and the reason(s) therefor.
- (c) whether there is any material change in the financial condition of the Company after the submission of the latest financial report and an explanation of the change, if any.
- (d) the types, numbers and amount of the shares of the tender offeror or its affiliates held by the Directors and the Members holding more than ten per cent (10%) of the total number of issued shares held in their own names or in the name of other persons.

## **59. Books of Account**

- 59.1** 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.

**59.2** 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.

**59.3** 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.

## **60. Financial Year End**

The financial year end of the Company shall be 31st December in each year but, subject to any direction of the Company in a general meeting, the Board may from time to time prescribe some other period to be the financial year, provided that the Board may not without the sanction of an Ordinary Resolution prescribe or allow any financial year to be longer than eighteen months.

## **AUDIT COMMITTEE**

### **61. Number of Committee Members**

The Company shall set up an Audit Committee. The Audit Committee shall comprise solely of Independent Directors and the number of 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 from time to time and at least one of the Audit Committee members shall have accounting or financial expertise. A valid resolution of the Audit Committee requires approval of one-half or more of all its members.

### **62. Powers of Audit Committee**

The Audit Committee 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 financial reports; 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.

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

### **63. Winding-Up**

**63.1** The Company may be voluntarily wound-up in accordance with Article 11.5.

**63.2** 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. 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**

### **64. 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.

## **REDUCTION OF SHARE CAPITAL**

### **65. Reduction of Share Capital**

The Company may by Special Resolution reduce its share capital and any capital redemption reserve in any manner authorised by the Law and the Applicable Public Company Rules. Any such reduction of share capital shall be effected based on the percentage of shareholding of the Members pro rata, unless otherwise provided for in the Law or the Applicable Public Company Rules.

### **66. Discontinuance**

The Board may exercise all the powers of the Company to transfer by way of continuation the Company to a named country or jurisdiction outside the Cayman Islands pursuant to the Law.

### **67. Appointment of Litigious and Non-litigious Agent**

For so long as the shares are listed on the TSE, 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 ROC Securities and Exchange Law to handle matters stipulated in the ROC Securities and Exchange Law and the relevant rules and regulations thereto. The Litigious and Non-Litigious Agent shall be a person who has a residence or domicile in the ROC.

## **OTHERS**

### **68. Corporate Social Responsibilities**

In the course of conducting its business, the Company shall comply with the laws and regulations and business ethics and may take actions which will promote public interests in order to fulfil its social responsibilities.

## 【Appendices 2.】 Shareholdings of All Directors

### ShunSin Technology Holdings Limited

#### Shareholdings of All Directors

1. The Paid-in Capital of the Company is NT\$1,065,248,000, the number of outstanding shares issued is 106,524,800 shares and the number of treasure shares is 1,757,000 shares..
2. Because the Company has an Audit Committee, there is no supervisor. Up to the date the suspension of register of this regular shareholder's meeting, the actual number of shares held by all directors is 63,964,800 shares, accounting for 60.05% of the total number of shares issued by the Company.
3. The Company is not subject to article 26 of the Securities and Exchange Act.

Date : 2020/4/17

<b>Title</b>	<b>Name</b>	<b>Current shareholding</b>
Chairman	Foxconn (Far East) Limited Representative:Hsu, Wen-Yi	63,964,800
Director	Foxconn (Far East) Limited Representative:Ni, Ching-Yu	63,964,800
Director	Foxconn (Far East) Limited Representative:Yu, Che-Hung	63,964,800
Director	Hu, Chien-Lei	-
Independent Director	Chiu, Huang Chuan	-
Independent Director	Ting, Hung-Hsun	-
Independent Director	Lin, Ying-Shan	-
<b>Total</b>		<b>63,964,800</b>



**【Appendices 3.】 Rules of Procedures of Shareholders' Meeting**



# ShunSin Technology Holdings Limited

## Rules of Procedures of Shareholders' Meeting

**June 25,2015 Second Edition**

ShunSin Technology Holdings Limited  
(the "Company")  
Rules of Procedures of Shareholders' Meeting  
(these "Rules")

June 25,2015 Second Edition

Article 1. Basis

The Company has referenced to these Rules for compliance with Article 5 of the Taiwan Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies in order to establish a sound shareholder's meeting governance system and strengthen the supervisory and management functions.

Article 2. Scope

After becoming a public Company in the R.O.C., the procedures of the shareholders' meetings of the Company ("Shareholders' Meetings") shall be conducted in accordance with these Rules, including the agenda, operational procedures for the Shareholders' Meetings, items to be set forth in the minutes, public announcements and other matters to be complied with.

Article 3. Convention

1. A Shareholders' Meeting shall be convened by the board of directors of the Company ("Board") unless otherwise provided by applicable laws or regulations.
2. The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

3. The notice or announcement shall set forth therein the reasons for the meeting. The notice may be given by electronic transmission with the consent of the recipient thereof.
4. The following matters should be stated in the notice of the meeting and may not be proposed as an extemporary motion: election or discharge of directors, amendments to the Articles of Incorporation of the Company, dissolution, merger or spin-off of the Company, any of those provided under Paragraph 1 of Article 185 of the Taiwan Company Act ("Company Act"), any of those provided under Articles 26-1 or 43-6 of the Taiwan Securities and Exchange Act, or any of those provided under Articles 56-1 and 60-2 of the Taiwan Regulations Governing the Offering and Issuance of Securities by Securities Issuers.
5. Shareholder(s) holding one percent or more of the total number of outstanding shares may submit in writing to the Company a proposal for discussion at an annual Shareholders' Meeting, provided that only one matter in one proposal is allowed. If more than one matter is proposed, none of the proposal shall be included in the agenda. Further, if any of the circumstances provided under Paragraph 4 of Article 172-1 of the Company Act occurs, the Board may exclude the proposal from the agenda of the Shareholders' Meeting.
6. Prior to the date the book is closed for the convention of an annual Shareholders' Meeting, the Company shall give a public notice announcing the place and the period for shareholders to submit proposals to be discussed at the meeting; the period for the Company to accept the submitted proposals shall not be less than ten days.
7. The number of characters of a proposal to be submitted by a shareholder shall be no more than three hundred characters, and any proposal containing more than 300 characters shall be excluded from the agenda of the Shareholders' Meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the annual Shareholders' Meeting whereat his proposal is to be discussed and shall participate in the discussion of such proposal.
8. The Company shall, prior to giving the notice of a Shareholders' Meeting, inform, by a notice, all the shareholders submitted the proposals of the proposal handling results, and shall list in the Shareholders' Meeting notice the proposals meeting the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the Board at the Shareholders' Meeting to be convened.

Article 4. Proxy

1. A shareholder may appoint a proxy to attend the Shareholders' Meeting on his behalf by executing a proxy instrument prepared by the Company stating therein the scope of appointment in the proxy.
2. A shareholder may only appoint one proxy under one instrument to attend the Shareholders' Meeting, and shall serve such written proxy to the Company no later than five days prior to the meeting date. In cases where the Company receives multiple proxies from one shareholder, the first one arriving at the Company shall prevail unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.
3. After the service of the proxy instrument on the Company, if the shareholder issuing the said proxy intends to attend the Shareholders' Meeting in person, a revocation notice shall be served on the Company in writing at least one day prior to the date of the Shareholders' Meeting, otherwise, the voting power exercised by the proxy at the meeting shall remain valid.

Article 5. General Restrictions on Meeting Place and Time

The Shareholders' Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend and commence no earlier than 9:00 in the morning and no later than 3:00 in the afternoon. The election of Shareholders' Meeting place and time shall take full consideration of independent directors' opinions.

Article 6. Attendance Book and Proxies

1. The Company shall state the time for shareholders' registration, the place of the meeting reception and other necessary instructions in the notice of Shareholders' Meeting.
2. The time for registration mentioned in the preceding paragraph shall start thirty minutes before the commencement of the Shareholders' Meeting. There shall be clear direction to show the place of the meeting reception and the Company shall arrange sufficient and qualified persons to assist shareholders with the registration.
3. A shareholder, whether attending in person or by proxy, shall present the attendance card, attendance signing card or other attendance certificate to attend the Shareholders' Meeting. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. A proxy solicitor shall present other related documents to verify his identity.

4. The Company shall prepare an attendance book for shareholders to sign in. Attending shareholder may also hand in an attendance card in lieu of signing on the attendance book.
5. The Company shall prepare and make available to the attending shareholder the agenda handbooks, annual reports, attendance cards, speech note, voting cards and other relevant meeting materials. If a director is to be elected at the Shareholders' Meeting, the ballots shall also be attached to the said materials.
6. If the shareholder is a government agency or a juristic person, more than one representative thereof may attend the Shareholders' Meeting. However, if a juristic person is authorized to attend the Shareholders' Meeting on behalf of another shareholder, only one representative of such juristic person may attend the meeting.

Article 7. Chairperson of Shareholders' Meetings and Substitute

1. If a Shareholders' Meeting is convened by the Board, such meeting shall be chaired by the Chairman of the Board. In case where the Chairman of the Board is on leave or for any reason is unable to exercise the powers of the Chairman, the vice chairman shall do so in place of the Chairman, or, if there is no vice chairman or the vice chairman is also on leave or for any reason is unable to act, by a managing director designated by the Chairman, or, if there is no managing director, by a director designated thereby, or, if the Chairman does not make such a designation, by a managing director or director elected by and from among themselves.
2. If the Shareholders' Meeting is chaired by a managing director or a director in accordance with the preceding paragraph, such Shareholders' Meeting shall be chaired by a managing director or a director who has acted as a director of the Company for more than six months and understands the business and financial condition of the Company. This provision shall also apply when the chairman of the Shareholders' Meeting is the representative of a corporate director.
3. In case a Shareholders' Meeting is convened by the Board of Directors, the Chairman shall preside over the meeting in person, and more than half of the directors of the Board of Directors, at least one independent director shall attend the meeting in person, and at least one representative of all members of the functional committee shall attend the meeting, and the attendance shall be recorded in the minutes of the shareholders' meeting.
4. Where a Shareholders' Meeting is convened by any person entitled to call the meeting other than the Board, such meeting shall be chaired by the

person so entitled or, if there are two or more persons so entitled to call the meeting, they shall choose one person from among themselves to chair the meeting.

5. The Company may appoint designated lawyers, CPAs, or other related persons to attend the Shareholders' Meeting.

#### Article 8. Audio or Video Recording of Shareholders' Meeting Process

1. The Company shall, commencing from the time of accepting shareholders' registration, make audio and video recording of the entire process of the shareholder registration, the Shareholders' Meeting, voting by shareholders and counting of votes.
2. The recording mentioned in the preceding paragraph shall be preserved for at least one year provided that if any shareholder files a litigation in accordance with Article 189 of the Company Act, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

#### Article 9. Attendance and Voting at Shareholders' Meeting

1. The attendance of a shareholder shall be calculated based on the shares he holds. The number of shares present at the meeting shall equal the aggregate of shares held by the shareholders having signed in the attendance book or having submitted their attendance cards, and shares that shareholders having exercised their voting rights in writing or electronic form.
2. At the scheduled time for a Shareholders' Meeting, the chairperson shall announce the commencement of the meeting provided that if the number of shares represented by the shareholders present at the meeting fails to exceed half of the outstanding shares of the Company, the chairperson may announce that the meeting is postponed. The postponements shall be limited to twice, which shall not last for more than one hour. If, after two such delays, the number of shares represented by the shareholders present at the meeting still fails to reach one-third of the outstanding shares of the Company, the chairperson shall announce to abandon the meeting.
3. If, after two such delays as provided in the preceding paragraph, the number of shares represented by the Shareholders present at the meeting still fails to meet the quorum but reaches one-third of the outstanding shares of the Company, a provisional resolution may be passed at such meeting pursuant to paragraph 1 of Article 175 of the Company Act and another Shareholders' Meeting may be reconvened in one month by giving a notice to each shareholder of the provisional resolution.

4. If, before the Shareholders' Meeting is closed, the number of shares represented by the shareholders present at the meeting reaches one-half of the outstanding shares of the Company, the chairperson may propose the shareholders to vote on the provisional resolution passed pursuant to the preceding paragraph in accordance with Article 174 of the Company Act.

#### Article 10. Convention and Agenda of Shareholders' Meetings

1. Where a Shareholders' Meeting is called by the Board, the agenda of such meeting shall be prepared by the Board and such meeting shall proceed in accordance with the agenda. No modification to the agenda shall be made unless otherwise resolved at such Shareholders' Meeting.
2. The preceding paragraph shall apply mutatis mutandis to cases where a Shareholders' Meeting is convened by any person entitled to call the meeting other than the Board.
3. Before the procedure set forth in the agenda prepared pursuant to the preceding two paragraphs (including the extemporary motions) has been completely ended, the chairperson may not adjourn the meeting unless otherwise resolved at such meeting. In the event that the chairperson adjourns the meeting in violation of these Rules, other members of the Board shall immediately assist the shareholders in designating one person as chairperson to continue the meeting by a majority of votes represented by the attending shareholders.
4. The chairperson shall allow each of the proposals, and amendments, or extemporary motions proposed by the shareholders the opportunity to be fully explained and discussed, and when the chairperson is of the opinion that a proposal has been sufficiently discussed to be put to vote, the chairperson may announce the cease of discussion and bring the proposal to vote.

#### Article 11. Speech of Shareholders

1. When a shareholder present at the Shareholders' Meeting wishes to speak, a speech note should be filled out with summary of the speech, the shareholder's account number (or the number of attendance card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairperson.
2. If any shareholder present at the Shareholders' Meeting submits a speech note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the speech note, the contents of actual speech shall prevail.

3. Unless otherwise permitted by the chairperson, each shareholder shall not, for each item for discussion, speak more than two times (each time not exceeding five minutes). In case the speech of any shareholder violates these Rules or exceeds the scope of the item for current discussion, the chairperson may stop the shareholder from continuing delivering the speech.
4. Unless otherwise permitted by the chairperson and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders, or the chairperson shall stop such interruption.
5. If a juristic shareholder designates two or more representatives to attend the Shareholders' Meeting, only one representative can speak for each item for discussion.
6. After the speech of a shareholder, the chairperson may respond by himself or appoint an appropriate person to respond.

#### Article 12. Voting Shares

1. The number of votes a shareholder is entitled to shall be calculated based on the shares he holds.
2. The shares held by a shareholder prohibited from exercising voting rights shall not be included when calculating the outstanding shares of the Company in respect to a resolution at the Shareholders' Meeting.
3. A shareholder who has a personal interest in any motion discussed at the Shareholders' Meeting, which interest maybe in conflict with and impair those of the Company, the shareholder shall not participate in voting on that agenda item, and shall not act as proxy of another Shareholder to exercise voting rights on that matter.
4. Those shares held by a shareholder prohibited from exercising voting rights under preceding paragraph shall not be counted in determining the number of votes represented by the Shareholders present at the said meeting.
5. Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of votes represented by him/her shall not exceed 3% of the total number of voting shares of the Company; otherwise, the portion of excessive votes shall not be counted.

#### Article 13. Exercise of Voting Rights

1. Each Shareholder shall have one vote for each share he holds except those restricted or prohibited from exercising voting rights pursuant to Paragraph 2 of Article 179 of the Company Act.



2. The votes may be exercised in writing or by electronic form if such method for exercising the votes has been described in the notice of the Shareholders' Meeting. A shareholder exercising his votes in writing or in electronic form shall be deemed to have attended such meeting in person, but shall be deemed to have waived his votes in respect of any extemporaneous motions and the amendments to the original proposals at such meeting.
3. A shareholder who intends to vote in writing or by electronic form shall serve his declaration of such intention on the Company no later than the second day prior to the scheduled meeting date of the Shareholders' Meeting. If two or more declarations are served on the Company, the first declaration shall prevail unless an explicit statement to revoke the previous declaration is made in the declaration which comes later.
4. In case a shareholder who has exercised his votes in writing or by electronic form intends to attend the Shareholders' Meeting in person, he shall, no later than the second day prior to the meeting date, serve a separate notice of intention in the same manner as the previous voting decision to revoke his previous voting decision made in exercising the votes. In the absence of a timely revocation of the previous voting decision, the votes exercised in writing or by electronic form shall prevail. In case a shareholder has exercised his votes in writing or by electronic form and has also authorized a proxy to attend the Shareholders' Meeting on his behalf, the voting exercised by the proxy for the Shareholder shall prevail.
5. Except otherwise specified in the Company Act or in the Articles of Incorporation of the Company, a resolution shall be passed by a majority of the votes represented by the shareholders present at the Shareholders' Meeting. When voting on each proposal, the chairperson or any person designated thereby shall announce the number of votes represented by the shareholders present at the Shareholders' Meeting and the shareholders shall vote proposal by proposal. If the Company is listed, the Company shall upload result of shareholders' assents, dissents and abstaining from voting to the Market Observation Post System.
6. If the chairperson puts the matter before all shareholders present at the meeting and none voices an objection to the matter, the matter is deemed approved and have the same effect as a resolution received on a poll. If objection is voiced in response to the chairperson's inquiry, such proposal should be put to vote in accordance with the preceding paragraph. Except those listed in the agenda of the meeting, any other proposals or an amendment or an substitute to an original proposal submitted by a shareholder for resolution may be discussed at such meeting only if another

shareholder has seconded such proposal and the votes represented by the proposing and the seconding shareholders have reached 1% of the votes represented by the outstanding voting shares of the Company.

7. If there is an amendment or a substitute to a proposal for resolution, the chairperson shall decide the sequence of voting. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is required.
8. The persons supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairperson, provided that a person supervising the casting of votes shall be a shareholder.
9. The counting of votes with respect to the shareholders' votes or the election proposals shall be conducted in a public place at the meeting place. The result of voting, including the number of votes counted, shall be announced at the meeting upon completion of the counting of votes, and recorded in the meeting minutes.

#### Article 14. Election of Directors

1. Where any Director is to be elected at the Shareholders' Meeting, the election shall be conducted in accordance with the relevant rules promulgated by the Company and the results thereof, including names of the elected directors and the votes that such elected directors obtain, shall be announced at the meeting.
2. The ballots in respect of the election provided in the preceding paragraph shall be sealed and signed by the person supervising the casting of votes, and be well preserved for at least one year provided that if any shareholder files a litigation in accordance with Article 189 of the Company Act, the relevant ballots shall continue to be preserved until the litigation is concluded.

#### Article 15. Minutes of Shareholders' Meeting

1. Discussions and resolution at every Shareholders' Meeting shall be recorded in the meeting minutes and the minutes shall bear the signature or seal of the chairperson. A copy of the minutes shall be distributed to each shareholder within 20 days after the meeting, and the production and distribution of the meeting minutes may be done in electronic form
2. The distribution of the meeting minutes as provided in the preceding paragraph may be replaced by a public announcement made in the Market Observation Post System after the Company is listed.
3. The Shareholders' Meeting minutes shall accurately record items such as the date and the place of such meeting, name of the chairperson, the resolution

method, summary of the discussion procedure and the result thereof, and shall be well preserved during the existence of the Company.

Article 16. Public Information

1. The Company shall explicitly disclose on the meeting date in the meeting place the numbers of shares which a proxy solicitor and an agent represents in the form and manner required by the applicable rules.
2. If the matters resolved by a Shareholders' Meeting are categorized as "Material Information" pursuant to the applicable laws or regulations of the jurisdiction where the Company is listed or the rules of the Taiwan Stock Exchange, the Company shall, after been listed, upload the contents of such resolution to the Market Observation Post System within the prescribed time.

Article 17. Meeting Affairs Staff of Shareholders' Meeting

1. The staff in charge of the administrative affairs at the Shareholders' Meeting shall wear a badge or an identification card.
2. The chairperson may direct disciplinary personnel or security personnel to maintain the order of the meeting and when doing so, such personnel shall wear a badge or an identification card.
3. If public address equipment is available at the meeting place, the chairperson may stop a shareholder's speech when such speech is not given by means of the said equipment provide by the Company.
4. In case where a shareholder violates any of these Rules, ignores the chairperson's correction and interrupts the procedure of the meeting without following the order to stop, the chairperson may instruct the disciplinary personnel or the security personnel to expel such shareholder from the meeting place.

Article 18. Break and Suspension of Shareholders' Meeting

1. During the Shareholders' Meeting, the chairperson may announce a break for a period of time in his sole discretion. In any event of force majeure, the chairperson may decide to suspend the meeting and announce the time when the meeting is to be continued depending on the actual situation.
2. If the meeting place becomes unavailable for use before the procedure set forth in the agenda (including the extraordinary motions) has been completely ended, it may be resolved by the attending shareholders to continue the meeting at another place.

3. A Shareholders' Meeting may resolve to postpone the meeting for no more than, or to reconvene the meeting within, five days pursuant to Article 182 of the Company Act.

Article 19. Effective Date and Amendment

These Rules and any revision thereof shall take effect upon resolution by the Shareholders' Meeting.

**【Appendices 4.】 Procedures for Election of Directors**



# ShunSin Technology Holdings Limited

## Procedures for Election of Directors

**June 25,2015 Second Edition**

**ShunSin Technology Holdings Limited**  
**(the "Company")**  
**Procedures for Election of Directors**  
**(these "Rules")**

**June 25,2015 Second Edition**

- Article 1. The Company election of director shall be subject to regulations of this Code anything not regulated in this Code shall be subject to the Company act and other relevant regulation at the place of where the Company listed.
- Article 2. The Company elections of directors shall be conducted should at the shareholders' meeting.
- Article 3. The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
1. Basic requirements and values: Gender, age, nationality, and culture.
  2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.
- Article 4. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:
1. The ability to make judgments about operations.
  2. Accounting and financial analysis ability.
  3. Business management ability.
  4. Crisis management ability.
  5. Knowledge of the industry.
  6. An international market perspective.
  7. Leadership ability.
  8. Decision-making ability.

- Article 5. More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director. The board of directors of the Company shall consider adjusting its composition based on the results of performance evaluation.
- Article 6. Elections of both directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Taiwan Company Act.
- The Company shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Taiwan Company Act with respect to nominee directors and may not arbitrarily add requirements for documentation of other qualifications. It shall further provide the results of the review to shareholders for their reference, so that qualified directors and supervisors will be elected.
- Article 7. The cumulative voting method shall be used for election of the directors at the Company. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8. The Company elections of directors shall be conducted. Each share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 9. The number of directors and supervisors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 10. The board of directors shall prepare ballots for directors to the directors to be elected, the number of voting rights associated with each ballot shall be specified on the ballots, when necessary attendance shareholder account on the ballots may be used.
- Article 11. Before the election begins, the chair shall appoint a number of persons with shareholder status to vote monitor and counting of vote monitoring and counting personnel.
- Article 12. Voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall

enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, may be procedures set out in Article 27-1 of the Taiwan Company Act.

Article 13. A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared meet these Rules.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable.
4. The candidate whose name is entered in the ballot is unclear and indecipherable.
5. Other words or marks are entered in addition to the candidate's account name or shareholder account number and the number of voting rights allotted.
6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.
7. Illegible writing.

Article 14. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences. Open the ballot boxes shall by the vote monitoring and counting personnel after the vote end.

Article 15. The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors or supervisors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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

Article 16. The board of directors of this Corporation shall issue notifications to the persons elected as directors or supervisors.

Article 17. When the number of vacancies in the board of directors of a company equals to one third of the total number of directors, the board of directors shall call, within 30 days, a special meeting of shareholders to elect succeeding directors to fill the vacancies. The term of by-election of directors shall be filled for the unexpired



term. However, in the case of a company whose shares are issued to the public, the special meeting of shareholders for electing succeeding directors shall be convened by the board of directors within 60 days.

- Article 18. When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, or the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, a by-election shall be held at the next shareholders' meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders' meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- Article 19. When the conditions of the Company directors candidate do not meet that required under the proviso of Article 26-3, there are some among the directors who do not meet the conditions, the election of the director receiving the lowest number of votes among those not meeting the conditions shall be deemed invalid.
- Article 20. The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes.
- Article 20-1. The election and qualifications of independent directors of this Corporation shall comply with Articles of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 21. The Company independent directors election be conducted in accordance with the candidate nomination system. The board of directors and shareholders holding more than 1% of the total number of issued shares may propose a list of candidates for independent directors. After the board of directors review meets the requirements for independent directors. Shareholders' meeting should elect on the list of candidates for independent directors. The acceptance method and announcement of candidates for nomination independent directors shall refer to the relevant laws of the Taiwan Company Act and Securities and Exchange Act.
- Article 22. The rules shall get approval by the board of directors first then submit to shareholders' meetings before take effect. The Same shall apply to any amendments to the rules.