



Dynamic Electronics Co., Ltd.
Articles of Incorporation

Chapter 1 General

- Article 1. The Company is organized in accordance with the Company Act and is named Dynamic Electronics Co., Ltd.
- Article 2. The Company operates the following businesses:
1. CC01080 Electronic Parts and Components Manufacturing.
 2. F119010 Wholesale of Electronic Materials.
 3. F401010 International Trade.
 4. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3. The Company is headquartered in Taoyuan City and may set up domestic or overseas branch companies as required by board resolution.
- Article 4. The Company may provide guarantees in accordance with the procedure for endorsements and guarantees established by the Company.
- Article 5. The amount of investment in other companies made by the Company is not subject to the limit under Article 13 of the Company Act and may exceed 40% of its paid-in capital.

Chapter 2 Shares

- Article 6. The Company's total capital is NT\$4,000,000,000, divided into 400,000,000 shares, at NT\$10 per share. The board of directors is authorized to issue shares that are not yet issued through several issuances. Among these shares, 17,000,000 shares are reserved for warrants and the board of directors is authorized to issue such shares through several issuances.
- Article 6-1 Any transfer, issuance, subscription, or grant of the treasury shares purchased by the Company in accordance with the law, new shares with restricted employee rights, new shares, and employee stock options should be limited to the employees of the controlling company or the subordinate company and are subject to certain conditions at the same time. The board of directors is authorized to establish the conditions.
- Article 7. All stocks of the Company are registered stocks and shall be affixed with the signatures or seals by the directors on behalf of the company and issued after obtaining the certification by the certification bank which permitted by law to serve as registrar for stock issuance. The shares issued by the company may be exempted from printing stocks, and should be registered with a securities centralized depository enterprise.
- Article 8. Registration for share transfer shall be suspended during 60 days before any general

shareholders meeting, 30 days before any special shareholders meeting and five (5) days before the record date for the distribution of any dividend or other benefit determined by the Company.

Chapter 3 Shareholders Meeting

- Article 9. Shareholders meetings are divided into general meetings and special meetings. General meetings are held once every year by the board of directors in accordance with law within 6 months from the end of each accounting year. Special meetings are held as required in accordance with applicable laws. However, for shareholders holding less than 1,000 shares, public announcement may be made.
- Article 9-1. Shareholders holding 1% or more of the shares may make a written proposal to be included in the general shareholders meeting held by the Company, provided that no more than one proposal shall be made. If more than one proposal is made, none will be included in the agenda. The relevant procedure shall be carried out in accordance with the Company Act and applicable regulations.
- Article 9-2. The company's shareholders' meeting can be held by video conference or other methods announced by the central competent authority.
- Article 10. Any shareholder who cannot attend a shareholders meeting for any reason may issue a proxy printed by the Company, specifying the scope of authorization, to appoint one person to attend the meeting on the shareholder's behalf. Rules of proxies for shareholders meeting shall be in accordance with the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.
- Article 11. Shareholders are entitled to one vote per share, except shares with restrictions or shares with no voting rights in accordance with Paragraph 2, Article 179 of the Company Act.
- Article 12. Unless otherwise provided by applicable law, shareholder resolutions shall be approved by shareholders representing the majority of voting rights represented in a meeting that is attended by shareholders or proxies representing the majority of all outstanding shares. The shareholders are allowed to exercise their voting rights via electronic system, and these shareholders will be assumed presence through this way. The related matters should be conducted according to the law.
- Article 12-1. Any proposal to cancel the public listing status of the Company's shares shall be subject to shareholder resolution. This clause shall not be revised during the listing period in the Emerging Market, the Stock Exchange or the Over-the-Counter Market.
- Article 13. Unless otherwise provided in the Company Act, shareholders meetings shall be convened by the board of directors. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board of directors. If the chairman is on leave or cannot perform his duty due to any reason, the chairman

will designate a managing director to chair the meeting. If there is no managing director, one director will be designated. If the chairman does not make such designation, the managing directors or the directors shall elect one person from among themselves. If the shareholders meeting are convened by any person other than the board of directors with entitlement to convene a shareholders meeting, such person shall chair the meeting. If the meeting is convened by two or more persons, one of them should chair the meeting.

Article 14. Matters resolved in the shareholders meeting should be recorded in minutes in accordance with Article 183 of the Company Act. Attendance books showing attending shareholders and proxies for attendance by designated representatives shall be maintained for at least one year. However, if any shareholder files a lawsuit in accordance with Article 189 of the Company Act, these documents shall be maintained until the end of the lawsuit.

Chapter 4 Directors and Audit Committee

Article 15. The Company has 7 to 9 directors, to be elected from persons with legal capacities by the shareholders meeting. Directors shall serve terms of three (3) years. The same person may be re-elected upon expiry of the term. Directors of the company shall be elected under the candidate nomination system and single accumulative voting system. Among the above number of directors, there shall be no less than two independent directors. The number of independent directors shall represent no less than 1/5 of all directors. Independent directors shall be elected under the candidate nomination system. The Company may purchase liability insurance for directors in accordance with the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies. The board of directors is authorized to determine the scope of insurance through resolution. The total number of shares held by all directors shall be consistent with the provisions of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.

Article 16. In case of vacancy for 1/3 or more of the directors or if all supervisors are dismissed, the board of directors shall convene a special shareholders meeting within 60 days to fill the vacancy. The persons filling the vacancies shall serve the original terms of the persons who have created the vacancies.

Article 17. The board of directors is constituted by directors. One person shall be elected as chairman by the directors from among themselves by the majority of directors attending a meeting that is attended by 2/3 or more of all directors. The chairman represents the Company.

Article 17-1. The board of directors may establish all types of functional committees as required. The members of the committees must include independent directors. Committees shall

report to the board of directors and shall submit proposals to the board of directors for resolution.

Article 18. Any director who cannot attend a board meeting in person for any reason may issue a proxy, specifying the scope of authorization for the agenda and designating another director to attend the meeting on his behalf. One director shall represent no more than one other director.

Article 19. If the chairman is on leave or cannot perform his duties for any reason, the representation shall be in accordance with Article 208 of the Company Act.

Article 20. Unless otherwise provided by the Company Act, board resolutions shall be approved by the majority of directors attending a meeting that is attended by the majority of all directors.

Any director who has a vested interest in any matter discussed in the meeting shall disclose the key contents of such vested interest in the meeting.

Article 21. Board meetings shall be convened in accordance with Article 204 of the Company Act. Notices for board meetings may be sent by fax or email.

Article 22. The Company has established an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee is constituted by all independent directors. The duties of the audit committee, the meeting rules and other matters of compliance shall be in accordance with the Company Act, the Securities and Exchange Act, other applicable legislations and the charters of the Company.

Article 23. The board of directors is authorized to determine the remunerations for the chairman and the directors based on the levels of participation in the operation of the Company, the value of their contributions and the common standards of the same industry. Independent directors may receive reasonable remuneration that is different from general directors.

Chapter 5 Managers

Article 24. The Company may have managers, the hiring, dismissal and remuneration of which shall be in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 25. The board of directors shall prepare the following documents at the end of each accounting year. These documents shall be submitted to the audit committee for audit 30 days before the general shareholders meeting. The documents shall then be submitted to the general shareholders meeting for ratification.

1. Business report.
2. Financial statements.
3. Profit distribution or loss compensation proposal.

Article 26. (Employee Remuneration and Director Remuneration)

If the Company has annual profit, no less than one-thousandth should be appropriated for employees' remuneration. The board will decide whether to grant the employees with stock or cash. The personnel who receive the remuneration include the employees of subsidiaries who meet certain qualifications. According to the above mentioned annual profit, the board will make a resolution of granting the directors no higher than three percent of the profit as the director remuneration. This distribution among the employees and directors should be reported in the shareholders' meeting.

But when there are accumulated losses, it should be reserved in advance to make up the amount, and then draw the mentioned proportion as the remuneration for the employees and directors.

Article 26-1. (Shareholder Bonus and Dividend Policy)

If the Company's annual closing shows any profit, taxes should be paid first. Then past losses shall be compensated. Then 10% shall be provided as legal reserve, unless the legal reserve has reached the amount of paid-in capital. Then a special reserve shall be provided or reversed in accordance with law or the requirements of the competent authority. The remaining profit, if any, combines with the accumulated retained earning, a proposal for distribution of profits will be drafted by the board, then the shareholders' meeting will make a resolution to distribute the bonus to the shareholders.

When the company sets aside special reserves in accordance with the law, for other net equity deductions and net increases in the fair value of investment real estate that occur in the current period, a same amount of a special reserve shall be set aside as the amount from the current after-tax net profit plus the amount of items other than the current after-tax net profit included in the current undistributed surplus. If there is still a shortage, it shall be set aside from the undistributed surplus of the previous period. For the net reduction of other equity accumulated in the previous period and the net increase in the fair value of the investment real estate, a same amount of the special reserve will be set aside from the undistributed surplus in the previous period. If there is still a shortage, the amount of the current after-tax net profit plus the items other than the current after-tax for the current period included in the undistributed surplus is set aside.

Company may, follow the provisions of Articles 240 and 241 of the Company Law, authorize the Board of Directors to issue cash dividends and bonuses under special resolutions, and to issue the capital stock or the legal surplus that is in accordance with the provisions of the Company Law in cash, and report in the most recent shareholder meeting.

In response to the change of economic climate and to seek sound financial structure of the Company, the Company adopts a balanced dividend policy. The policy for dividend distribution in the future is as follows:

1. The Company is currently at an enterprise growth stage. The main consideration for the dividend policy is the funding requirements for the Company's investments in the future, the financial structure and profits. The board of directors will make a profit distribution proposal every year based on the profit of the current year, which shall be resolved by the shareholders meeting.
2. In consideration for a balanced and stable dividend policy, dividend will be paid in shares or in cash, depending on the funding requirements for investment and the level of dilution of earnings per share, distribution will be made in stock dividend or cash dividend. Cash dividend shall represent no less than 10% of the total dividend of the current year.

Chapter 7 Miscellaneous

Article 27. Matters that are not provided in these Articles of Association are subject to the Company Act and applicable legislations.

Article 28. The Articles of Incorporation were established on 12 August 1988.

The first amendment was made on 21 March 1989.

The second amendment was made on 24 October 1996.

The third amendment was made on 20 March 1998.

The fourth amendment was made on 7 June 1998.

The fifth amendment was made on 7 May 2001.

The sixth amendment was made on 8 April 2002.

The seventh amendment was made on 23 June 2003.

The eighth amendment was made on 25 June 2004.

The ninth amendment was made on 29 September 2004.

The tenth amendment was made on 13 December 2004.

The eleventh amendment was made on 10 June 2005.

The twelfth amendment was made on 30 June 2006.

The thirteenth amendment was made on 21 June 2007.

The fourteenth amendment was made on 26 March 2008.

The fifteenth amendment was made on 19 June 2008.

The sixteenth amendment was made on 19 June 2009.

The seventeenth amendment was made on 26 May 2010.

The eighteenth amendment was made on 22 June 2011.

The nineteenth amendment was made on 18 June 2012.

The twentieth amendment was made on 18 June 2013.

The twenty-first amendment was made on 28 May 2015.

The twenty-second amendment was made on 27 May 2016.

The twenty-third amendment was made on 24 May 2019.

The twenty-fourth amendment was made on 28 May 2020.

The twenty-fifth amendment was made on 14 October 2020.

The twenty-sixth amendment was on 20 May, 2022.