

Chang Wah Electromaterials Inc.

Articles of Incorporation

Chapter I General

- Article 1: The Company is organized under the Company Act and is named **Chang Wah Electromaterials Inc.**
- Article 2: The Company's scope of business is as follow:
- (1)F113020 Wholesale of Electrical Appliances
 - (2)F113070 Wholesale of Telecommunication Apparatus
 - (3)F213010 Retail Sale of Electrical Appliances
 - (4)F213060 Retail Sale of Telecommunication Apparatus
 - (5)F401010 International Trade
 - (6)C805010 Manufacture of Plastic Sheets, Pipes and Tubes
 - (7)C805020 Manufacture of Plastic Films and Bags
 - (8)F107190 Wholesale of Plastic Films and Bags
 - (9)F119010 Wholesale of Electronic Materials
 - (10)F113010 Wholesale of Machinery
 - (11)F213080 Retail Sale of Machinery and Tools
 - (12)E604010 Machinery Installation
 - (13)JE01010 Rental and Leasing
 - (14)F106010 Wholesale of Hardware
 - (15)IG03010 Energy Technical Services
 - (16)D101040 Non-Public Electric Power Generation
 - (17)E601010 Electric Appliance Construction
 - (18)E601020 Electric Appliance Installation
 - (19)CC01080 Electronics Components Manufacturing
 - (20)I501010 Product Designing
 - (21)ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1: The Company may provide external guarantees for business purposes in accordance with the law and related regulations.
- Article 2-2: The total amount of the Company's reinvestment is not limited to 40% of the paid-in capital.
- Article 3: The Company has the headquarters in Kaohsiung City, and may establish branch offices in appropriate locations in Taiwan and abroad if necessary, by resolution of the Board of Directors.

Chapter II Shares

Article 4: The total capital of the Company is set at NT\$1.2 billion, divided into 1.2 billion shares at NT\$1 per share, which the Board of Directors is authorized to issue in installments, some of which may be preferred shares. The aforementioned capital stock is reserved with 120 million shares, which is reserved for the exercise of employee stock warrants, new restricted employee shares, preferred shares, and corporate bonds with warrants and may be issued in installments in accordance with the resolution of the Board of Directors.

Qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, entitled to receive shares, receive share subscription warrant, and receive restricted stock for employees may be specified by the Board of Directors.

Article 4-1: The rights and obligations covered by the preferred shares and other important conditions of the issue of such shares by the Company are as follows:

1. Capped at an annual rate of 8%, dividends on preferred shares may be paid in cash on a yearly basis, based on the issue price per share, on a record date fixed by the Board of Directors or by the Chairman authorized by a resolution of the Board of Directors for payment of dividends for the preceding year. The payment of dividends in the year of issue and the year of recovery is calculated based on the actual number of days the shares were outstanding in that year.
2. The Company has the discretion to distribute dividends on the preferred shares. In the event of no or insufficient surplus in the annual financial statements of the Company to distribute dividends on the preferred shares or other necessary considerations, the Board of Directors may resolve not to distribute such dividends and such decision shall not constitute a default. Where preferred shares issued are not of a cumulative nature, dividends not to be distributed or to be distributed inadequately by resolution are not cumulatively deferred for payment in subsequent years of surplus.
3. Holders of preferred shares shall not participate in the distribution of ordinary shares in respect of surplus and capital reserves for cash and capitalization, if the preferred shares issued are in a non-participating form, other than receive the dividend referred to in subparagraph 1 of this paragraph.
4. Preferred shares issued by the Company which are convertible shall not be converted within one year from the date of issue. The period during which they may be converted is to be determined in the conditions of the issue by the Board of Directors as authorized. Holders of convertible preferred shares may apply

for conversion of some or all of their preferred shares in the ratio of one preferred share to one ordinary share (1:1) in accordance with the conditions of the issue. Upon conversion of the convertible preferred shares into ordinary shares, the rights and obligations are the same as those covered by ordinary shares. Holders of preferred shares converted into ordinary shares before the ex-rights/ex-dividend date of the year of conversion may participate in the distribution of ordinary shares' earnings and capital reserves in that year but not in the distribution of dividends on the preferred shares in that year. Holders of preferred shares converted into ordinary shares after the ex-rights/ex-dividend date of the year of conversion may participate in the distribution of dividends on the preferred shares in that year but not in the distribution of ordinary shares' earnings and capital reserves in that year. Dividends on preferred shares and dividends/bonuses on ordinary shares in the same year are distributed on a non-repeating basis.

5. Holders of preferred shares shall have priority in the distribution of the remaining property of the Company over holders of ordinary shares and shall receive indemnification in the same order as the holders of each class of preferred shares issued by the Company, being lower than that of general creditors, to the extent that the amount thereof does not exceed that of the issued and outstanding preferred shares at the time of the distribution, calculated at the issue price.
6. Holders of preferred shares shall not have the rights to vote and elect at shareholder meetings but shall be entitled to be elected directors and shall have the right to vote at meetings of holders of preferred shares and at shareholder meetings concerning the rights and obligations of such holders.
7. Preferred shares have no maturity date and holders thereof shall not require the Company to recover the preferred shares held by them, but the Company may, at any time from the next day upon five years after the issue, recover all or any part of the preferred shares at the original issue price. The unrecovered preferred shares shall continue to be subject to the rights and obligations set out under the conditions of the issue in the preceding subparagraphs. If the Company resolves to pay a dividend in that year, the dividend payable up to the date of recovery shall be calculated based on the actual number of days the shares were outstanding in that year.
8. The Board of Directors is mandated to list the preferred shares and the ordinary shares converted on the Taiwan Stock Exchange or the Taipei Exchange, subject to the conditions of the Company and the market, etc.

The name of the preferred shares, the date of issue and the specific conditions of the

issue are to be determined by the Board of Directors as mandated under the Company's articles of incorporation and relevant laws and regulations, depending on the capital market conditions and investors' willingness to subscribe when the preferred shares are issued.

Article 5: The shares of the Company shall be in registered form, signed or sealed by the directors on behalf of the Company, and shall be issued with certification in accordance with the law.

When issuing new shares, the Company may print certificates for the total number of shares to be issued, or may not print certificates at all, provided that the certificates are kept or registered with a centralized securities depository.

The Company's share affairs are handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies", unless otherwise required by the relevant securities laws and regulations.

Chapter III Shareholders' meeting

Article 6: The Company's shareholders' meetings are as the following two types:

1. Ordinary meetings shall be convened once a year by the Board of Directors, within six months after the end of each fiscal year.
2. Interim meetings shall be convened as required by law.

When necessary, a meeting of preferred shareholders may be held in accordance with the relevant laws and regulations.

The Corporation's shareholders' meeting may be convened virtually or in other manners announced by the Ministry of Economic Affairs.

Article 7: In the event that a shareholder is unable to attend a shareholders' meeting for any reason, he/she may appoint a proxy to attend the meeting by issuing a letter of proxy issued by the Company specifying the scope of the authority. Unless otherwise provided in the Company Act, the Company shall follow the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" established by the competent authority.

When the Company convenes a shareholders' meeting, the Company may exercise its voting rights in writing or by electronic means. The Company shall include electronic means as one of the methods for shareholders to exercise their voting rights, and shareholders who exercise their voting rights by electronic means shall be deemed to be present in person, and the related matters shall be handled in accordance with the laws and regulations.

The shareholders who are entitled to do so may propose to the Company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall

be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. All related operations shall be conducted in accordance with the Company Act and related regulations.

Article 8: Except in the circumstances otherwise provided for in the Company Act, a shareholder shall have one voting power in respect of each share in his/her/its possession.

Article 9: Unless otherwise provided for in the Company Act, a shareholders' meeting shall proceed only if attended by shareholders representing more than one-half of the total outstanding capital stock of the Company. Resolutions of a shareholders' meeting shall be made at the meeting with the concurrence of a majority of the votes held by the shareholders present at the meeting.

Article 10: The shareholders' meeting shall be convened by the Board of directors, with the chairperson as the chair. In case the chairperson of the Board of directors is absent, the chairperson of the Board of directors shall designate a person to act on his behalf; if the chairperson of the Board of directors does not designate a person to act on his behalf, the directors shall elect one among themselves to act on his behalf. If the shareholders' meeting is convened by a party with power to convene but other than the Board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Chapter IV Board of Directors

Article 11: The Company shall have seven to nine directors to be elected at the shareholders' meeting from among the individuals of legal capacity, with the term of three years. All directors shall be eligible for re-election. In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.

The election of directors is based on the candidates nomination system under Article 192-1 of the Company Act, and matters related to its implementation are governed by the Company Act, the Securities and Exchange Act and other relevant laws and regulations.

The percentage of shareholdings of all directors shall be in accordance with the provisions prescribed by the competent authority in charge of securities affairs.

The Board of directors meeting may be attended by more than half of the directors as necessary, and a majority of the directors present agree to purchase liability insurance for all directors during their term of office.

Article 11-1: The number of independent directors shall not be less than three and shall not be less

than one-fifth of the number of directorships. Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination and election, and other matters for compliance with respect to independent directors shall be prescribed by the competent authority in charge of securities affairs.

Article 12: The Board of directors shall be organized by the directors, and a chairperson shall be elected by and from among the directors with the presence of at least two-thirds of the directors and the consent of a majority of the directors present. The chairperson shall externally represent the Company.

Article 13: Meetings of the Board of directors shall be convened by the chairperson of the Board of directors. In calling a meeting of the Board of directors, a notice shall be given to each director no later than seven days prior to the scheduled meeting date. In the case of emergency, a meeting of the Board of directors may be convened at any time. The notice of the convening of the Board of directors meeting may be given in writing, by e-mail or by fax.

Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

In the case a director is unable to attend a board meeting for any reason, he/she may appoint in writing another director to attend as his/her proxy in accordance with the law, and the proxy may accept a proxy from one person only; if the director resides abroad, he/she may appoint in writing another shareholder residing in the country to attend the board meeting as his/her proxy on a regular basis, and he/she shall apply to the competent authority for registration, and the same applies to any change of proxy. In case an independent director is unable to attend a board meeting to express his/her objection or reservation for any reason, he/she shall not appoint a non-independent director to attend the board meeting on his/her behalf and shall give his/her opinion in writing, which shall be recorded in the minutes of the board meeting.

Article 14: In case a director participates in the meeting via tele- or video-conference, it shall be deemed as attendance in person. In case a chairperson cannot perform his/her duty due to certain reason, the assignment of his/her deputy shall be conducted in accordance with the Company Act.

Article 15: The Company's Board of directors may establish functional committees such as Audit Committee and compensation committee, of which the Audit Committee shall be composed of all independent directors in accordance with Article 14-4 of the Securities and Exchange Act, and shall consist of not less than three members, one of whom shall be the convener and at least one of whom shall have accounting or financial expertise. The duties, constitution, exercise of powers and other matters to

be followed by the Audit Committee shall be in accordance with the provisions of the Company Act, the Securities and Exchange Act and other relevant laws and regulations and the Company's bylaws.

Article 15-1: Directors' remuneration is set aside within a fixed annual budget of NT\$8 million. Directors' remuneration is determined by reference to the views of the remuneration committee authorized by the Board of directors, and paid in accordance with the degree of involvement of the Company's operations and contribution to the industry in general.

Chapter V Managerial Officers

Article 16: The Company may have one or more managerial officers. Appointment, discharge and the compensation of the managerial officers shall be in accordance with the Company Act.

Chapter VI Accounting

Article 17: The Company's fiscal year shall begin on January 1 and end on December 31 of each year. At the end of each fiscal year, the Board of directors shall submit to the Audit Committee for review or the Audit Committee shall appoint an accountant to review and submit a report to the shareholders for approval 30 days prior to the shareholders' meeting, including (1) Business Report; (2) Financial Statement; (3) Proposal on Distribution of Surplus and Recovery of Losses

Article 18: The Company may distribute earnings or make up losses after the end of each semi-annual accounting period. If there is any surplus at the end of each semi-annual accounting period, the Company shall first make up the accumulated deficit, estimate and retain the taxable contributions and compensation to employees and directors, and set aside 10% of the legal reserve, except when the legal reserve has reached the Company's total paid-in capital, and set aside or reverse the special reserve as required by law or regulations prescribed by the competent authority. If there is any surplus, the remaining balance shall be added to the accumulated undistributed earnings of the previous semi-accounting year, and the Board of directors shall prepare a proposal for the distribution of the earnings, which shall be resolved by the shareholders' meeting if the earnings are to be distributed by issuing new shares, or by the Board of directors if the earnings are to be distributed in cash.

If there is any surplus in the Company's annual final accounts, the Company shall first pay taxes and make up for accumulated deficits, and then set aside 10% as legal reserve, except when the accumulated legal reserve has reached the amount of the

Company's paid-in capital, and after setting aside or reversing the special reserve as required by law or by the competent authority, the remaining amount shall be added to the accumulated undistributed earnings of the previous years and distributed in accordance with Article 4-1 of the Articles of Incorporation, and the Board of directors shall prepare a proposal for the distribution of earnings, and if the distribution is to be made by issuing new shares, a resolution shall be submitted to the shareholders' meeting for distribution.

In accordance with Article 240 of the Company Act, the Company authorizes the distributable dividends and bonuses or the legal reserve and capital surplus provided for in Article 241 of the Company Act in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article 18-1: The Company is in line with the overall environment and the growth characteristics of the industry, as well as the long-term financial planning of the Company, in order to achieve sustainable and stable business development. The Company's dividend policy is based on the residual dividend policy, which is based on the Company's future capital budget plan to measure the annual capital requirements, and the remaining earnings are distributed in the form of cash and stock dividends after reserving the necessary capital for financing. The distribution steps are as follows:

1. Determine the best capital budget.
2. Determine the amount of financing needed to meet the previous capital budget.
3. Determine the amount of capital to be financed by retained earnings.
4. The remaining earnings may be distributed to the shareholders in the form of dividends, after reserving an appropriate amount for operating needs, and the distribution should be no less than 10% of the Company's distributable earnings for the year, provided that the portion of cash dividends is no less than 10% of the total dividends to be paid.

Article 18-2: The Company shall distribute compensation to employees at no less than 1% and no more than 12% of the Company's profitability for the year. However, if the Company has accumulated deficits, the Company shall first make up for them.

When the Company's annual net income is over NT\$800 million, the surplus from NT\$800 million to NT\$1 billion and over NT\$1 billion, shall be increased the budget to directors remuneration of 2% and 4% increase in net income, respectively, and will be appropriated by resolution of the Company's stockholders in their meeting. However, if the Company has accumulated deficits, the Company shall first make up for them.

Compensation to employees may be distributed in the form of shares or in cash to

employees of subsidiaries of the Company meeting certain specific requirements that are entitled to receive shares or cash; such requirements shall be established by the Board of directors.

Profit of the current year referred to in the first paragraph refers to the net income before taxation for the current year before the distribution of compensation to employees and compensation to directors.

The distribution of compensation to employees and compensation to directors shall be made by a resolution adopted by a majority vote at a meeting of Board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Article 19: To transfer shares to employees at less than the average actual share repurchase price, the Company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing a majority of total issued shares in accordance with Article 10-1 and 13 of the Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies.

Article 20: If the Company intends to issue employee stock warrants at a price lower than the market price (net value per share), the Company shall comply with the provisions of Article 56-1 and Article 76 of the Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies and shall only issue such warrants after the resolution of the shareholders' meeting.

Chapter VII Supplementary Provision

Article 21: The Company's bylaws and regulations are set forth separately.

Article 22: All matters not provided for in these Articles of Incorporation shall be governed by the Company Act and other laws and regulations.

Article 23: These Articles of Incorporation were established on May 4, 1989.

The 1st amendment was made on December 15, 1990.

The 2nd amendment was made on November 6, 1995.

The 3rd amendment was made on December 15, 1996.

The 4th amendment was made on April 14, 1998.

The 5th amendment was made on June 30, 1998.

The 6th amendment was made on November 23, 2000.

The 7th amendment was made on December 11, 2000.

The 8th amendment was made on January 8, 2001.

The 9th amendment was made on August 28, 2001.

The 10th amendment was made on January 2, 2002.

The 11th amendment was made on March 4, 2002.
The 12th amendment was made on October 15, 2002.
The 13th amendment was made on June 24, 2003.
The 14th amendment was made on May 20, 2004.
The 15th amendment was made on June 17, 2005.
The 16th amendment was made on June 6, 2006.
The 17th amendment was made on May 30, 2007.
The 18th amendment was made on May 21, 2010.
The 19th amendment was made on May 19, 2011.
The 20th amendment was made on May 30, 2012.
The 21st amendment was made on June 13, 2013.
The 22nd amendment was made on May 14, 2014.
The 23rd amendment was made on May 13, 2016.
The 24th amendment was made on May 13, 2017.
The 25th amendment was made on May 9, 2018.
The 26th amendment was made on June 19, 2019.
The 27th amendment was made on June 19, 2020.
The 28th amendment was made on June 12, 2023.

Chang Wah Electromaterials Inc.

Chairperson: Hung, Chuen-Sing