



Stock Code: 8444

【Translation】

GREEN RIVER HOLDING CO. LTD.

綠河股份有限公司

Handbook for the 2020

Annual Meeting of Shareholders

MEETING TIME: 2020/06/19

PLACE: B2, No.160, Ren Ai Rd., Sec.3, Taipei, Taiwan

**(BANQUET HALL III, The Howard Plaza Hotel
Taipei)**

The handbook for the 2020 annual meeting of shareholders is the English translation of the Chinese version prepared and used in the Taiwan (R.O.C.). If there is any conflict between, or any difference in the interpretation of the English and Chinese language handbook, the Chinese version shall prevail.

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GREEN RIVER HOLDING CO. LTD.

2020 Annual Meeting of Shareholders

I. Meeting Procedure

1. Call the Meeting to Order
2. Chairman Remarks
3. Discussions
4. Reports on Company Affairs
5. Acknowledgments and Discussions
6. Questions and Motions
7. Adjournment

GREEN RIVER HOLDING CO. LTD.

2020 Annual Meeting of Shareholders

II. Meeting Agenda

Time: 2020/06/19 9:00 a.m. (Friday)

Place: B2, No.160, Ren Ai Rd., Sec.3, Taipei, Taiwan (BANQUET HALL III, The Howard Plaza Hotel Taipei)

- 1. Call the Meeting to Order.**
- 2. Chairman Remarks**
- 3. Discussions**
 - A. Amendment to the Company's the Articles of Association
- 4. Reports on Company Affairs**
 - A. 2019 Business Report
 - B. 2019 Audit Committee's Review Report
 - C. Amendment to the Ethical Corporate Management Best Practice Principles
- 5. Acknowledgments and Discussions**
 - A. Adoption of the 2019 Business Report and Financial Statements
 - B. Adoption of the Proposal for Distribution of 2019 Profits
 - C. Capitalization of retained earnings and issuance of new shares
 - D. Amendment to the Policies and Procedures for Loaning of Funds and Making of Endorsements/Guarantees
 - E. Amendment to the Rules of Procedure for Shareholders Meetings
- 6. Questions and Motions**
- 7. Adjournment**

Discussions

Proposal 1

Proposed by the Board

Item: Amendment to the Company's the Articles of Association

Explanation:

1. In order to conform to the needs of commercial practice and the amendments to related commercial laws, the Company hereby proposes to amend the Articles of Association. Comparison table for revised provisions is attached as pp.6~16, Annex I.
2. Please proceed to discuss.

Resolution:

Reports on Company Affairs

Report No. 1: 2019 Business Reports

Explanation: The 2019 Business Report is attached as pp. 17~20, Annex II.

Report No. 2: 2019 Audit Committee's Review Report

Explanation: The 2019 Audit Committee's Review Report is attached as pp. 21, Annex III.

Report No. 3: Amendment to the Ethical Corporate Management Best Practice Principles

Explanation:

1. In order to cooperate with the announcement in accordance with Ruling No. 10800565491 issued by the Taipei Exchange ("the TPEx") on 2019/05/31 and conform to the needs of commercial practice, It is amended the "Ethical Corporate Management Best Practice Principles" of the Company.
2. The comparison table for revised provisions is attached as pp.22~29, Annex IV.

Acknowledgments and Discussions

Proposal 1

Proposed by the Board

Item: Adoption of the 2019 Business Report and Financial Statements

Explanation:

1. The Company's 2019 Financial Statements, including the balance sheet, income statement, statement of changes in shareholders' equity, and statement of cash flows, were audited by independent auditors, Chao, Min-Ju and Chang, Chun-I of KPMG Taiwan.
2. The 2019 Business Report, independent auditors' audit report, and the above-mentioned Financial Statements are attached as pp.17~20, Annex II and pp.30~37, Annex V.
3. Please acknowledge.

Resolution:

Proposal 2

Proposed by the Board

Item: Adoption of the Proposal for Distribution of 2019 Profits

Explanation:

1. The Board has adopted a Proposal for Distribution of 2019 Profits on 2020/03/19.
2. The 2019 Profit Distribution Table is attached as pp.38, Annex VI.
3. Please acknowledge.

Resolution:

Proposal 3

Proposed by the Board

Item: Capitalization of Retained Earnings and Issuance of New Shares

Explanation:

1. For the further operations of the Company, the management plans to withdraw NTD\$109,965,450 from 2019 distributable earnings to issue dividends stocks of 10,996,545 shares, par value at NTD\$10.
2. According to the proposed capital increase plan, 150 common shares will be distributed for every 1,000 common shares, which is recorded in the shareholders' books and calculated as their shares held on the ex-dividend date. And the fractional shares shall be distributed in cash at par value (rounded to the nearest dollar). Shareholders could also apply for the combination of the fractional share to the stock affair agent of the Company in five days since the ex-dividend date. The remaining fractional shares shall be subscribed in cash at par value by the person nominated by the Chairman authorized by the Board of Directors.
3. The shareholder rights and obligations of the new shares (non-physical certificates issuance) are the same as those of existing shares.
4. It is proposed that the Board of Directors be authorized to take any action which could amend the share allotment rate if the number of outstanding shares affected by the changes in the Company's capital afterwards.
5. After the approval of the Annual Meeting of Shareholders and the competent authority, the new shares will be distributed on a record date determined by the Board.
6. It is proposed that the Board of Directors be authorized to take any action that may be required in connection with the capital injection plan as a result of any amendment as required by the competent authorities or in correspondence with changes of the external environment.
7. Please proceed to discuss.

Resolution:

Proposal 4

Proposed by the Board

Item: Amendment to the Policies and Procedures for Loaning of Funds and Making of Endorsements/Guarantees

Explanation:

1. In order to cooperate with the announcement in accordance with Ruling No. 1090360588 issued by the FSC on 2020/02/14, it is proposed to amend the "Procedures for Loaning of Funds and Making of Endorsements/Guarantees" of the Company. The comparison table for revised provisions is attached as pp.39~50, Annex VII.
2. Please proceed to discuss.

Resolution:

Proposal 5

Proposed by the Board

Item: Amendment to the Rules of Procedure for Shareholders Meetings

Explanation:

1. In order to cooperate with the announcement in accordance with Ruling No. 10900500261 issued by the TPEx on 2020/01/13 and conform to the needs of commercial practice, the Company hereby proposes to amend the “Rules of Procedure for Shareholders Meetings” of the Company. The comparison table for revised provisions is attached as pp.51~56, Annex VIII.
2. Please proceed to discuss.

Resolution:

Questions and Motions

Adjournment

III. Annexes

Annex I Comparison Table for Amendments to the Articles of Association

Comparison Table for Amendments to the Articles of Association of Green River Holding Co.Ltd. 綠河股份有限公司

Article No.	Amended article	Existing article	Explanation
Memorandum			
Title of the Memorandum of Association	THE COMPANIES LAW (<u>2020 REVISION</u>) COMPANY LIMITED BY SHARES <u>SIXTH</u> AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF Green River Holding Co. Ltd.	THE COMPANIES LAW (AS AMENDED) COMPANY LIMITED BY SHARES FIFTH AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF Green River Holding Co. Ltd.	The revision is made based on the requirement of the Cayman Islands Registry and Cayman law practice.
Article 3	The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by the Companies Law (<u>2020 Revision</u>).	The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by the Companies Law (as amended).	The revision is made based on the requirement of the Cayman Islands Registry.
Article 4	The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by the Companies Law (<u>2020 Revision</u>).	The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by the Companies Law (as amended).	The revision is made based on the requirement of the Cayman Islands Registry.
Article 8	The share capital of the Company is New Taiwan Dollars 1,500,000,000 divided into 150,000,000 ordinary shares of a par value of New Taiwan Dollars 10 each provided always that subject to the provisions of the Companies Law (<u>2020 Revision</u>)	The share capital of the Company is New Taiwan Dollars 1,500,000,000 divided into 150,000,000 ordinary shares of a par value of New Taiwan Dollars 10 each provided always that subject to the provisions of the Companies Law (as amended)	The revision is made based on the requirement of the Cayman Islands Registry.

Article No.	Amended article	Existing article	Explanation
	and the Articles of Association the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or 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 whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.	and the Articles of Association the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or 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 whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.	
Article 9	If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Law (<u>2020 Revision</u>).	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).	The revision is made based on the requirement of the Cayman Islands Registry.
Articles			
Title of the Articles of Association	THE COMPANIES LAW (<u>2020 REVISION</u>) COMPANY LIMITED BY SHARES <u>SIXTH</u> AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF GREEN RIVER HOLDING CO. LTD	THE COMPANIES LAW (AS AMENDED) COMPANY LIMITED BY SHARES FIFTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF GREEN RIVER HOLDING CO. LTD	The revision is made based on Cayman law practice.
Article 1.1	<u>Dissenting Member</u> <u>has the same meaning given thereto in Article 28.2 hereof;</u>		The defined term is used in the amended Article 28.

Article No.	Amended article	Existing article	Explanation
Article 1.1	Law The Companies Law (<u>2020 Revision</u>) of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force	Law The Companies Law (as amended) of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force;	The revision is made based on the requirement of the Cayman Islands Registry.
Article 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, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3 hereof, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights. Where an exercise of the pre-emptive right may result in fractional entitlement of a Member, the entitlements (including fractional entitlements) of two or more Members may be combined to jointly subscribe for one or more whole new shares in the name of a single Member, subject to compliance with such	Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration pursuant to Article 2.3 hereof, after allocation of the Public Offering Portion, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3 hereof, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights <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> Where an exercise of the pre-emptive right may result in fractional	This provision is amended in order to reflect Article 142 of the Company Act of the Republic of China as required by the Shareholders' Right Protection Checklist of the Taipei Exchange (the "Checklist").

Article No.	Amended article	Existing article	Explanation
	<p>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><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 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</u></p>	<p>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>	

Article No.	Amended article	Existing article	Explanation
	<u>Applicable Public Company Rules.</u>		
Article 12.3	<p>Subject to the Law and Articles 12.4 and 12.5 hereof, 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 17 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), <u>share swap</u> or spin-off 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>Subject to the Law and Articles 12.4 and 12.5 hereof, 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 17 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 spin-off 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>This provision is added in order to reflect Article 29 of the Business Mergers and Acquisitions Act (the "M&A Act") of the Republic of China as required by the Checklist.</p>
Article 14.6	<p>For so long as the shares are registered on the ESM or listed on the TSE or TPEx, if there are profits, in making the profit distribution recommendation, the Board shall set aside out of the profits of the Company for each financial year: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) a special surplus</p>	<p>For so long as the shares are registered on the ESM or listed on the TSE or TPEx, if there are profits, in making the profit distribution recommendation, the Board shall set aside out of the profits of the Company for each financial year: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) a special surplus</p>	<p>This article is amended to retain flexibility for the dividend policy.</p>

Article No.	Amended article	Existing article	Explanation
	<p>reserve as required by the applicable securities authority under the Applicable Public Company Rules ("Special Surplus Reserve"); and (iv) other reserves as determined by the Board for specific purposes. Thereafter, having considered the financial, business and operational factors, including the Company being in the growth stage while competing in a mature industry, its capital expenditure, future expansion projects and financial plans for long term development, the amount to be distributed as dividends shall not be less than ten per cent (10%) of remaining profits. After combining all or part of the accumulated undistributed profits in the previous years and the reversed special surplus reserve, the combined amount shall be allocated as dividends to the Members subject to the discretion of the Directors and upon approval by the Members. Dividends shall be made by way of cash dividend <u>only, or</u> stock dividend <u>only</u> or a combination <u>of cash dividend and stock dividend</u>, provided <u>however that, if the dividend is distributed by way of a combination of cash dividend and stock dividend</u>, the cash dividend shall not be less than ten per cent (10%) of the total amount of dividend payable under this Article 14.6, <u>and further provided that in the case of a distribution of stock dividend there are sufficient unissued shares in the authorized share capital of the Company for the purpose of distributing such stock dividend</u>.</p>	<p>reserve as required by the applicable securities authority under the Applicable Public Company Rules ("Special Surplus Reserve"); and (iv) other reserves as determined by the Board for specific purposes. Thereafter, having considered the financial, business and operational factors, including the Company being in the growth stage while competing in a mature industry, its capital expenditure, future expansion projects and financial plans for long term development, the amount to be distributed as dividends shall not be less than ten per cent (10%) of remaining profits. After combining all or part of the accumulated undistributed profits in the previous years and the reversed special surplus reserve, the combined amount shall be allocated as dividends to the Members subject to the discretion of the Directors and upon approval by the Members. Dividends shall be made by way of cash dividend but may also be made by stock dividends or a combination thereof, provided further that, the cash dividends shall not be less than ten per cent (10%) of the total amount of dividends payable under this Article 14.6.</p>	

Article No.	Amended article	Existing article	Explanation
Article 28.1	<p>Subject to the Law, in the event any of the following resolutions is passed at general meetings, any Member who has <u>abstained from voting in respect of such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the meeting</u>, 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) acquires or assumes the whole business or assets of another person, which has a material effect on the operation of the Company;</p> <p>(d) <u>the Company proposes to undertake a spin-off, Merger or share swap; or</u></p> <p>(e) <u>the Company generally assumes all the assets and liabilities of another person or generally assigns all its assets and liabilities to another person.</u></p>	<p>Subject to the Law, in the event any of the following resolutions is passed at general meetings, any Member who has <u>notified the Company in writing of his objection to such matter prior to the meeting and has raised again his objection at the meeting</u>, 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; <u>or</u></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>This provision is revised in order to reflect Article 12 of the M&A Act as required by the Checklist.</p>
Article 28.2	<p><u>Without prejudice to the Law, any Member exercising his rights in accordance with Article 28.1 (the "Dissenting Member") shall, within twenty (20) days from the date of the resolution passed at the general meeting, give his written notice of objection stating the repurchase price proposed by him. If the Company and the</u></p>	<p><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</u></p>	<p>Same as above.</p>

Article No.	Amended article	Existing article	Explanation
	<p><u>Dissenting Member agree on a price at which the Company will purchase the Dissenting Member's Shares, the Company shall make the payment within ninety (90) days from the date of the resolution passed at the general meeting. If, within ninety (90) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase the Dissenting Member's Shares, the Company shall pay the fair price it deems fit to the Dissenting Member within ninety (90) days from the date of the resolution passed at the general meeting. If the Company fails to pay the fair price it deems fit to the Dissenting Member within the ninety-day period, the Company shall be deemed to agree on the repurchase price proposed by such Dissenting Member.</u></p>	<p><u>the Company to purchase all of his shares at the then prevailing fair price.</u></p>	
Article 28.3	<p><u>Without prejudice to the Law, if, within sixty (60) 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 such Dissenting Member's Shares, then, within thirty (30) days immediately following the date of the expiry of such sixty-day period, the Company shall file a petition with the court against all the Dissenting Members for a determination of the fair price of the Shares held by all the Dissenting Shareholders. The Taiwan Taipei District Court, ROC, may be the court of the first instance for this matter.</u></p>		Same as above.

Article No.	Amended article	Existing article	Explanation
Article 28.4	<u>Notwithstanding the above provisions under this Article 28, nothing under this Article shall restrict or prohibit a Member from exercising his right under section 238 of the Law to payment of the fair value of his shares upon dissenting from a Merger or consolidation.</u>		Same as above.
Article 47.2	Notwithstanding anything to the contrary contained in this Article 47, a Director who is directly or indirectly interested in any matter under discussion at a meeting of the Directors or a contract or proposed contract or arrangement with the Company shall declare the nature and the essential contents of such interest at the relevant meeting of the Directors as required by the Applicable Law. <u>If the Company proposes to enter into any transaction specified in Article 28.1 or effect other forms of mergers and acquisitions in accordance with Applicable Law, a director who has a personal interest in such transaction shall declare the essential contents of such personal interest and the reason why he believes that the transaction is advisable or not advisable at the relevant meeting of the Directors and the general meeting as required by the Applicable Law.</u> Where the spouse, the person related to a Director by blood and within the second degree (as defined under the ROC Civil Code), or any company which has a controlling or controlled 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.	Notwithstanding anything to the contrary contained in this Article 47, a Director who is directly or indirectly interested in any matter under discussion at a meeting of the Directors or a contract or proposed contract or arrangement with the Company shall declare the nature and the essential contents of such interest at the relevant meeting of the Directors as required by the Applicable Law. Where the spouse, the person related to a Director by blood and within the second degree (as defined under the ROC Civil Code), or any company which has a controlling or controlled 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.	This provision is revised in order to reflect Paragraph 3, Article 5 of the M&A Act as required by the Checklist.

Article No.	Amended article	Existing article	Explanation
	The terms "controlling" and "controlled" shall be interpreted in accordance with the Applicable Public Company Rules.		
Article 63.4	<p><u>Subject to compliance with the Law, before the meeting of the Directors resolves any matter specified in Article 28.1 or other mergers and acquisitions in accordance with the Applicable Law, the Audit Committee shall review the fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the meeting of Directors and the general meeting; provided, however, that such review results need not be submitted to the general meeting if the approval of the Members is not required under the Applicable Law. When the Audit Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share 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 the Applicable Law. Such review results and</u></p>		<p>This provision is added in order to reflect Article 6, Article 7, Paragraph 3 of Article 22, Paragraph 7 of Article 31 and Paragraph 2 of Article 38 of the M&A Act as required by the Checklist.</p>

Article No.	Amended article	Existing article	Explanation
	<u>fairness opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the ROC securities authority and made available to the Members for their inspection and review at the venue of the general meeting.</u>		

Annex II 2019 Business Report

GREEN RIVER HOLDING CO. LTD.

綠河股份有限公司

2019 Business Report

Dear Shareholders,

Looking back on 2019, the global economic growth slowed down due to various political and economic conflicts and relevant matters, the management team and all employees of Green River continued to contribute great efforts in the adjustment of the Group's physique and enhancement of resource utilization in order to increase operational energy and to strengthen the relationship with customers. Nevertheless, since more than 96% of the revenue of the Group relies on export sales and due to the impact of the sales price in the single Southeast Asia region, the increase in the cost of raw materials in the market and the relatively greater fluctuation in the exchange rate along with the factor of the suspension of operation caused by a fire accident at the energy factory of GP I that took place in January, the operating revenue in 2019 was lower than the revenue in 2018. The results of our operating performance in 2019 and the business outlook report are illustrated as follows:

1. 2019 Business Report

A. Operating Performance

The Group's 2019 consolidated operating revenue is NT\$ 2,806,854 thousand, and the annual net loss attributed to shareholders of the parent company is NT\$ 306,643 thousand. The basic deficits per share is NT\$ 4.18. Compared to 2018, the operating revenue of 2019 is reduced by 12.39%, net income is reduced by 232.13%, and the gross profit margin decreased to 6.29%.

B. Operating Income/Expense Budget Implementation: Since the Group is not required to prepare the financial forecast, this is not applicable.

C. Financial Income/Expense Analysis

Income Statement

Unit: In Thousands of New Taiwan Dollars

Item	2019	2018	Increase (Decrease) Percentage %
Operating Revenue	2,806,854	3,203,850	(12.39)%
Operating Costs	2,630,240	2,799,498	(6.05)%
Gross Profit	176,614	404,352	(56.32)%
Operating Expenses	444,468	518,865	(14.34)%
Net Operating Income (Loss)	(267,854)	(114,513)	133.91%
Income (Loss) Before Income Tax	(332,794)	(78,505)	323.91%
Net Income (Loss) After Tax	(319,339)	(96,148)	232.13%
Net Income (Loss) Attributed to the Parent Company	(306,643)	(100,939)	203.79%

Source of Information: Financial statements audited by an independent auditor.

D. Profitability Analysis

Important Financial Ratio Analysis

Item	2019	2018
Return on Assets (%)	(3.43)	(0.77)
Return on Shareholders' Equity (%)	(12.13)	(3.40)
Paid-in Capital Ratio (%)	Operating Profit	(36.31)
	Net Profit Before Tax	(44.51)
Net Profit Margin (%)	(11.38)	(3.00)
Earnings (deficits) per Share (NT\$)	(4.18)	(1.35)

Source of Information: Financial statements audited by an independent auditor.

E. Research and Development Status

The Group continues to improve the particle board manufacturing process, and precisely control the formaldehyde content. Low-formaldehyde-content particle boards comply with European environmental protection standards, and U.S. CARB and Japan JIS certifications have been obtained, such that the Group's products have achieved world class environmental protection standards. In the future, the Group will actively improve the bonding agent technologies and recipe, and research and develop ultra-low-formaldehyde-content boards and formaldehyde-free boards, thereby developing various products equipped with special application characteristics and improving production line efficiency, in light of increasing the product competitiveness.

The Group will continue to improve the management of the solid wood board business with a commitment to reducing the loss of raw lumber, stabilizing the trimming width and maintaining the board color. To achieve the goal of producing boards with excellent color and

quality.

2. 2020 Business Plan Overview

A. Operational Directives

- (a) Product Research and Development: Collaboration between software control and hardware equipment, and continue to optimize processes, increase product added value, and strengthen system integration advantages.
- (b) Human Resources: Cope with operation of the new particle board factory and cooperate with the construction plan of own gel factory, periodically assess the human resource needs in order to appropriately adjust and recruit talents, and continue to provide on-job training.
- (c) Marketing Management: Continue to strengthen customer relationships, understand market demands, and pay attention to product trends. maintain qualitative and quantitative services in existing markets, and actively develop the sales market for high-end particle boards and environmental friendly products.
- (d) Financial Performance: Predict future fund movement status, and use direct and indirect financial tools to strengthen the Company's responsive abilities to the external environment fluctuation.
- (e) Operation Management: Accumulate network connections through industry collaboration and understand the future trend of the industry in order to adjust the operation planning of the Company.

B. Important Production and Sales Policies

- (a) Research and Development Technologies: Cooperate with the bonding agent technology upgrade and adjustment of production recipe, develop particle boards with special functions and formaldehyde-free particle board products, continue to seek formulas and technologies that are of excellent performance and environmentally friendly, in light of complying with greater international product certification standards.
- (b) Production and Manufacturing: With the new particle board plant engaged in mass production, enhance the quality inspection to maintain high quality boards, and arrange production schedule property to reduce production cost.
- (c) Sales Market: Utilize the strategic location at the center of the region of Southeast Asia, continue to maintain the Southeast Asian sales network, strategically develop markets in China, Northeast Asia, and other potential markets in order to expand the business scope.
- (d) Operation Performance: Utilize information system to collect and monitor operational management and continue to improve processes in order to increase operation performance.

3. Company's Future Development Strategy

- A. Product Strategy: Establish own gel factory and seek greater raw material suppliers in order to stabilize the source of raw material and strengthen the price negotiation capability, commitment in the improvement of product quality, and reduction of procurement costs, as well as actively improve production capacity to create an economy of scale.
- B. Marketing and Sales Strategy: Develop differential products according to customer demands, cope with the future trends to improve product quality and safety, and cooperatively provide excellent after-sale service; in addition, through complete sales mechanism and network, active participation in international tradeshow, increase the brand exposure in order to achieve brand advantages for Green River. In view of the shortage of board supply in China and the increasing demand for high-end particle boards in Vietnam, continue to strength the business development in the markets of China and Vietnam..
- C. Financial Strategy: Periodically review the transaction criterion of the transaction counterparties, maintain excellent cooperative relationships with the transaction banks, and readily review the adequacy of foreign reserve in order to reduce the impact of the risk of the market exchange rate on the Company, thereby achieving a sound financial structure of the entire Group.

4. 2020 Business Outlook

Looking into the future, under the multiple impacts of worldwide chaotic situation and global recession, the Group will focus on stabilizing the internal development and actively improving the Group's external market competitiveness. The Group's business outlook for the year of 2020: 1. Industry vertical integration and horizontal expansion, 2. Continue to optimize the information system, 3. Enhance cost control and operating energy. The Group will continue to uphold the business principle of sustainable development and to seek growth and effort in environmental protection continuously in order to become a leading green resource particle board manufacturer in Asia. We wish all shareholders all the best,

Good Health and Prosperity

Chairman:	Hsieh, Jung-Hui
Managerial Officer:	Huang, Teng Shih
Accounting Supervisor:	Wang, Sheng-Feng

Annex III 2019 Audit Committee's Review Report

GREEN RIVER HOLDING CO. LTD.

綠河股份有限公司

Audit Committee's Review Report

The Board of Directors prepares and submits the 2019 Business Report, Consolidated Financial Statements, and Profits Distribution Proposal, where the Consolidated Financial Statements are audited by KPMG's CPA Chao, Min-Ju and CPA Chang, Chun-I, entrusted by the Company, and the Audit Report is issued. The aforementioned Business Report, Consolidated Financial Statements, and Profits Distribution Proposal have been reviewed by the Audit Committee, considering it to be in conformity. Accordingly, the Report is prepared as disclosed above according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review.

Submitted to

The Company's 2020 Annual Meeting of Shareholders

Green River Holding Co. Ltd

Audit Committee Convener: Pai, Pei-Lin

19th March, 2020

Annex IV Comparison Table for Amendments to the Ethical Corporate Management Best Practice Principles

Comparison Table for Amendments to
the Ethical Corporate Management Best Practice Principles of
Green River Holding Co. Ltd.
綠河股份有限公司

Amended article	Existing article	Explanation
<p>Article 6 (Policies)</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 (Policies)</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>	Revision has been made in accordance with the Amendments to the Ethical Corporate Management Best Practice Principles by Public Companies
<p>Article 7 (Scopes and Prevention Programs of Unethical Conduct)</p> <p>The Company shall in its ethical management policy clearly and thoroughly prescribed the specific ethical management practices and the programs to forestall unethical conduct ("prevention programs"), including operational procedures, guidelines, and training.</p> <p>When establishing the prevention programs, the Company shall comply with relevant laws and regulations of the territory where the Company and business group are operating.</p> <p>In the course of developing the prevention programs, the Company is advised to negotiate with staff, labor unions members, important trading counterparties, or other</p>	<p>Article 7 (Scopes and Prevention Programs of Unethical Conduct)</p> <p>The Company shall in its ethical management policy clearly and thoroughly prescribed the specific ethical management practices and the programs to forestall unethical conduct ("prevention programs"), including operational procedures, guidelines, and training.</p> <p>When establishing the prevention programs, the Company shall comply with relevant laws and regulations of the territory where the Company and business group are operating.</p> <p>In the course of developing the prevention programs, the Company is advised to negotiate with staff, labor unions members, important trading counterparties, or other</p>	Revision has been made in accordance with the Amendments to the Ethical Corporate Management Best Practice Principles by Public Companies

Amended article	Existing article	Explanation
<p>stakeholders.</p> <p>The Company shall <u>establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within the business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly and review their adequacy and effectiveness on a regular basis.</u></p> <p><u>It is advisable for the Company to refer to prevailing domestic and foreign standards or guidelines in establishing the prevention programs, which shall at least include preventive measures against the following:</u></p> <ol style="list-style-type: none"> 1. Offering and acceptance of bribes. 2. Illegal political donations. 3. Improper charitable donations or sponsorship. 4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits. 5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights. 6. Engaging in unfair competitive practices. 7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services. 	<p>stakeholders.</p> <p><u>When establishing the prevention programs, The Company shall analyze within the business scope which are possibly at a higher risk of being involved in an unethical conduct, and strengthen the prevention measures.</u></p> <p><u>The prevention programs adopted by the Company shall at least include preventive measures against the following:</u></p> <ol style="list-style-type: none"> 1. Offering and acceptance of bribes. 2. Illegal political donations. 3. Improper charitable donations or sponsorship. 4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits. 5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights. 6. Engaging in unfair competitive practices. 7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services. 	
Article 8 (Commitment and Implementation)	Article 8 (Commitment and Implementation)	Revision has been made in accordance

Amended article	Existing article	Explanation
<p><u>The Company requests 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></p> <p>The Company and its respective business group shall clearly specify in rules and external documents <u>and on the Company website</u> the ethical corporate management policies and the commitment by the board of directors and <u>senior management</u> on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.</p> <p><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></p>	<p>The Company and its respective business group shall clearly specify in rules and external documents the ethical corporate management policies and the commitment by the board of directors and management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.</p>	<p>with the Amendments to the Ethical Corporate Management Best Practice Principles by Public Companies</p>
<p>Article 17 (Organization and Responsibility)</p> <p>The directors, independent 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 directors and <u>avail</u></p>	<p>Article 17 (Organization and Responsibility)</p> <p>The directors, independent 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 directors and</p>	<p>Revision has been made in accordance with the Amendments to the Ethical Corporate Management Best Practice Principles by Public Companies</p>

Amended article	Existing article	Explanation
<p><u>itself of adequate resources and staff itself with competent personnel,</u> 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"> 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. 2. <u>Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope,</u> adopting accordingly 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. 3. 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. 4. Promoting and coordinating awareness and educational activities with respect to ethics policy. 5. Developing a whistle-blowing system and ensuring its operating effectiveness. 6. Assisting the board of directors 	<p>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 <u>(at least once a year)</u>:</p> <ol style="list-style-type: none"> 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. 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. 3. 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. 4. Promoting and coordinating awareness and educational activities with respect to ethics policy. 5. Developing a whistle-blowing system and ensuring its operating effectiveness. 6. Assisting the board of directors 	

Amended article	Existing article	Explanation
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.	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>Article 20 (Accounting and Internal Audit)</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, <u>based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans; including auditees, audit scope, audit items, audit frequency, etc., and examine accordingly the compliance with the prevention programs.</u> 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><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></p>	<p>Article 20 (Accounting and Internal Audit)</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 <u>periodically</u> examine the company's compliance with the <u>foregoing systems and prepare audit reports and submit the same to the board of directors.</u> The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.</p>	Revision has been made in accordance with the Amendments to the Ethical Corporate Management Best Practice Principles by Public Companies
Article 23 (whistle-blowing system)	Article 23 (whistle-blowing system)	Revision has been made in accordance with the Amendments

Amended article	Existing article	Explanation
<p>The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <ol style="list-style-type: none"> 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. 2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior <u>management</u> 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. 3. <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> 4. Documentation of case acceptance, investigation processes, investigation results, and relevant documents. 5. Confidentiality of the identity of whistle-blowers and the content of reported cases, and an undertaking regarding anonymous reporting. 6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing. 7. Whistle-blowing incentive measures. <p>When material misconduct or</p>	<p>The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <ol style="list-style-type: none"> 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. 2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior <u>manager</u> shall be reported to the independent directors <u>or independent directors</u>. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted. 3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents. 4. Confidentiality of the identity of whistle-blowers and the content of reported cases, and an undertaking regarding anonymous reporting. 5. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing. 6. Whistle-blowing incentive measures. <p>When material misconduct or</p>	<p>to the Ethical Corporate Management Best Practice Principles by Public Companies</p>

Amended article	Existing article	Explanation
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.	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 <u>or independent directors</u> in written form.	
<p>Article 27 (Implementation)</p> <p>The ethical corporate management best practice principles of the Company shall be implemented after the board of directors grants the approval, and shall be sent to <u>each independent director</u> 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. <u>Any objections or reservations of any independent director</u> 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 27 (Implementation)</p> <p>The ethical corporate management best practice principles of the Company shall be implemented after the board of directors grants the approval, and shall be sent to <u>the audit committee</u> and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.</p> <p><u>The company has appointed independent directors.</u></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. <u>If an independent director objects to or expresses reservations about any matter, it</u> 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 objection 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><u>The Company has established an audit committee, the provisions regarding supervisors in these</u></p>	Revision has been made in accordance with the Amendments to the Ethical Corporate Management Best Practice Principles by Public Companies

Amended article	Existing article	Explanation
	<u>Principles shall apply mutatis mutandis to the audit committee.</u>	

Annex V 2019 Consolidated Financial Statements With Independent Auditors' Report

Independent Auditors' Report

To the Board of Directors of Green River Holding Co. Ltd.:

Opinion

We have audited the consolidated financial statements of Green River Holding Co. Ltd. (the "Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as of December 31, 2019 and 2018, and the consolidated statement of comprehensive income, changes in equity and cash flows for the year ended December 31, 2019 and 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China ("FSC").

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' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Green River Holding Co. Ltd. and its subsidiaries 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 for our opinion.

Key Audit Matters

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

Revenue recognition

Please refer to note 4(m) "Revenue" for accounting policy related to revenue recognition, and note 6(q) for the information refer to revenue of the consolidated financial statements.

Description of key audit matter:

Revenue is the key performance indicator for the management to evaluate the performance of the finance and operation of the Group and draws high attention from the public. Therefore, revenue recognition was considered to be one of the key matters in our audit.

How the matters was addressed in our audit:

- Assessing and testing the design, and the effectiveness of the internal control operation on revenue recognition.
- Performing trend analysis on operating income of the current period and of the last period, as well as the latest quarter from each top ten customer to assess the occurrence of any significant exceptions, and further identify and analyze the reasons if there is any significant variation.
- Performing test-of-detail on sales to assess the assertions of existence and 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 revenue have been appropriately recognized.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chao Min-Ju and Chang Chun-I.

KPMG

Taipei, Taiwan (Republic of China)

March 19, 2020

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

GREEN RIVER HOLDING CO. LTD. AND SUBSIDIARIES**Consolidated Balance Sheets****December 31, 2019 and 2018****(Expressed in Thousands of New Taiwan Dollars)**

		December 31, 2019		December 31, 2018				December 31, 2019		December 31, 2018	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
11xx	Current assets:					21xx	Current liabilities:				
1100	Cash and cash equivalents (note 6(a))	\$ 609,747	7	1,629,156	20	2100	Short-term loans (notes 6(d), (g), (h), (y), 7 and 8)	\$ 993,049	12	797,520	10
1170	Trade receivables, net (notes 6(b) and (q))	148,908	2	141,877	2	2130	Current contract liabilities (note 6(q))	21,985	-	15,348	-
1200	Other receivables (note 6(d))	82,617	1	65,529	1	2170	Trade payables	140,812	2	127,793	2
130x	Inventories (notes 6(c))	210,643	2	192,099	2	2200	Other payables	203,659	2	135,619	2
1470	Other current assets (notes 6(d), (g), (h), (j), and 8)	239,554	3	570,770	7	2322	Current portion of long-term loans (notes 6(d), (i), (y), 7 and 8)	7,573	-	14,298	-
	Total current assets	<u>1,291,469</u>	<u>15</u>	<u>2,599,431</u>	<u>32</u>	2399	Other current liabilities (notes 6(e), (k), (y), 7 and 8)	21,648	-	12,152	-
15xx	Non-current assets:						Total current liabilities	<u>1,388,726</u>	<u>16</u>	<u>1,102,730</u>	<u>14</u>
1600	Property, plant and equipment (notes 6(d), (e), (f), (h), (i), (j), 7, 8 and 9)	7,104,111	82	5,497,358	66	25xx	Non-Current liabilities:				
1755	Right-of-use assets (notes 6(d), (e) and 8)	3,539	-	-	-	2530	Bonds payable (notes 6(d), (g), (j), (y), 7 and 8)	4,486,326	52	4,473,635	54
1780	Intangible assets (notes 6(d) and (f))	46,117	1	47,691	1	2540	Long-term loans (notes 6(d), (i), (y), 7 and 8)	82,723	1	7,149	-
1840	Deferred tax assets (note 6(m))	65,268	1	21,812	-	2570	Deferred tax liabilities (note 6(m))	26,000	-	11,473	-
1915	Prepayments for equipment	673	-	16,673	-	2640	Net defined benefit plan liabilities (note 6(l))	41,642	1	28,838	-
1990	Other non-current assets (notes 6(g), (j) and 8)	112,568	1	112,406	1	2670	Other non-current liabilities (notes 6(e), (k), (y), 7 and 8)	2,407	-	953	-
	Total non-current assets	<u>7,332,276</u>	<u>85</u>	<u>5,695,940</u>	<u>68</u>		Total non-current liabilities	<u>4,639,098</u>	<u>54</u>	<u>4,522,048</u>	<u>54</u>
							Total liabilities	<u>6,027,824</u>	<u>70</u>	<u>5,624,778</u>	<u>68</u>
						2xxx					
						31xx	Equity attributable to owners of parent (notes 6(l), (n) and (o)):				
						3110	Common stock	737,703	9	747,703	9
						3200	Capital reserve	937,451	11	950,159	11
						33xx	Retained earnings:				
						3310	Legal reserve	44,957	-	44,957	1
						3320	Special reserve	-	-	85,542	1
						3350	Unappropriated retained earnings	385,589	4	838,447	10
								430,546	4	968,946	12
						34xx	Other equity:				
						3410	Exchange differences on translation of foreign financial statements	541,132	6	106,635	1
						3500	Treasury shares	(45,196)	-	(98,447)	(1)
							Total equity attributable to owners of parent:	<u>2,601,636</u>	<u>30</u>	<u>2,674,996</u>	<u>32</u>
						36xx	Non-controlling interests	(5,715)	-	(4,403)	-
							Total equity	<u>2,595,921</u>	<u>30</u>	<u>2,670,593</u>	<u>32</u>
1xxx	Total assets	<u>\$ 8,623,745</u>	<u>100</u>	<u>8,295,371</u>	<u>100</u>	2-3xxx	Total liabilities and equity	<u>\$ 8,623,745</u>	<u>100</u>	<u>8,295,371</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

GREEN RIVER HOLDING CO. LTD. AND SUBSIDIARIES**Consolidated Statements of Comprehensive Income****For the years ended December 31, 2019 and 2018****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		2019		2018	
		Amount	%	Amount	%
4000	Operating revenues (notes 6(q))	\$ 2,806,854	100	3,203,850	100
5000	Operating costs (notes 6(c), (d), (f) and (k))	2,630,240	94	2,799,498	87
5900	Gross profit from operations	176,614	6	404,352	13
6000	Operating expenses (notes 6(d), (e), (f), (k), (l), (r) and 7):				
6100	Selling expenses	252,535	9	344,562	11
6200	Administrative expenses	191,933	6	174,303	5
	Total operating expenses	444,468	15	518,865	16
6900	Net operating loss	(267,854)	(9)	(114,513)	(3)
7000	Non-operating income and expenses (notes 6(d), (j), (k), (s), (t) and (u)):				
7010	Other income	42,194	2	59,899	2
7020	Other gains and losses	(31,912)	(1)	52,753	1
7050	Finance costs	(75,222)	(3)	(76,644)	(2)
	Total non-operating income and expenses	(64,940)	(2)	36,008	1
7900	Loss from continuing operations before tax	(332,794)	(11)	(78,505)	(2)
7951	Less: Income tax expenses (income) (note 6(k))	(13,455)	-	17,643	1
8200	Net loss	(319,339)	(11)	(96,148)	(3)
8300	Other comprehensive income (loss) (note 6(l)):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Losses on remeasurements of defined benefit plans	(4,295)	-	(2,120)	-
8349	Less: income tax relating to items that will not be reclassified subsequently to profit or loss	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	(4,295)	-	(2,120)	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	434,119	15	191,912	6
8399	Less: income tax relating to items that may be reclassified subsequently to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	434,119	15	191,912	6
8300	Other comprehensive income (loss), net of tax	429,824	15	189,792	6
8500	Total comprehensive income	\$ 110,485	4	93,644	3
8600	Net income (loss) attributable to:				
8610	Owners of parent	\$ (306,643)	(11)	(100,939)	(3)
8620	Non-controlling interests	(12,696)	-	4,791	-
		\$ (319,339)	(11)	(96,148)	(3)
8700	Total comprehensive income (loss) attributable to:				
8710	Owners of parent	\$ 123,915	4	89,177	3
8720	Non-controlling interests	(13,430)	-	4,467	-
		\$ 110,485	4	93,644	3
Deficits per share (Expressed in New Taiwan dollars) (note 6(p))					
9750	Basic deficits per share	\$ (4.18)		(1.35)	
9850	Diluted deficits per share	\$ (4.18)		(1.35)	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

GREEN RIVER HOLDING CO. LTD. 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 translations	Equity			
	Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated retained earnings	Total	of foreign financial statements	Treasury shares	attributable to owner of parent	Non-controlling interests	Total equity
Balance at January 1, 2018	\$ 747,703	950,159	44,957	111,160	1,229,864	1,385,981	(85,542)	-	2,998,301	(8,870)	2,989,431
Appropriation and distribution of retained earnings:											
Reversal special reserve	-	-	-	(25,618)	25,618	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	-	(314,035)	(314,035)	-	-	(314,035)	-	(314,035)
Net income (loss) for the year	-	-	-	-	(100,939)	(100,939)	-	-	(100,939)	4,791	(96,148)
Other comprehensive income (loss) for the year	-	-	-	-	(2,061)	(2,061)	192,177	-	190,116	(324)	189,792
Total comprehensive income (loss) for the year	-	-	-	-	(103,000)	(103,000)	192,177	-	89,177	4,467	93,644
Increase in treasury share	-	-	-	-	-	-	-	(98,447)	(98,447)	-	(98,447)
Balance at December 31, 2018	747,703	950,159	44,957	85,542	838,447	968,946	106,635	(98,447)	2,674,996	(4,403)	2,670,593
Appropriation and distribution of retained earnings:											
Reversal special reserve	-	-	-	(85,542)	85,542	-	-	-	-	-	-
Cash dividends on ordinary share	-	-	-	-	(146,921)	(146,921)	-	-	(146,921)	-	(146,921)
Net loss for the year	-	-	-	-	(306,643)	(306,643)	-	-	(306,643)	(12,696)	(319,339)
Other comprehensive income (loss) for the year	-	-	-	-	(3,939)	(3,939)	434,497	-	430,558	(734)	429,824
Total comprehensive income (loss) for the year	-	-	-	-	(310,582)	(310,582)	434,497	-	123,915	(13,430)	110,485
Increase in treasury share	-	-	-	-	-	-	-	(50,354)	(50,354)	-	(50,354)
Decrease in treasury share	(10,000)	(12,708)	-	-	(80,897)	(80,897)	-	103,605	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	12,118	12,118
Balance at December 31, 2019	\$ 737,703	937,451	44,957	-	385,589	430,546	541,132	(45,196)	2,601,636	(5,715)	2,595,921

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

GREEN RIVER HOLDING CO. LTD. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the years ended December 31, 2019 and 2018****(Expressed in Thousands of New Taiwan Dollars)**

	2019	2018
Cash flows from operating activities:		
Loss before income tax	\$ (332,794)	(78,505)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	251,381	220,764
Amortization expense	6,521	5,939
Net gain on financial liabilities at fair value through profit or loss	-	(761)
Interest expense	36,920	38,277
Interest income	(10,915)	(20,374)
Effect of exchange rate changes on bonds payable	(30,081)	35,122
Loss (gain) on disposal or scrap of property, plant and equipment	(10,366)	9,182
Items of property, plant and equipment changed to expense	-	426
Total adjustments to reconcile profit	243,460	288,575
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Trade receivables	(7,031)	21,594
Other receivables	(28,467)	(35,260)
Inventories	(18,544)	44,496
Other current assets	(13,862)	(7,865)
Total net changes in operating assets	(67,904)	22,965
Net changes in operating liabilities:		
Contract liabilities	6,637	4,854
Trade payables	13,019	(45,923)
Other payables	32,511	(20,513)
Other current liabilities	8,067	3,056
Net defined benefit plan liabilities	6,698	4,362
Total net changes in operating liabilities	66,932	(54,164)
Net changes in operating assets and liabilities	(972)	(31,199)
Total adjustments	242,488	257,376
Cash generated from (used in) operations	(90,306)	178,871
Interest received	10,915	20,374
Interest paid	(62,872)	(56,507)
Income taxes paid	(14,855)	(35,991)
Net cash flows from (used in) operating activities	(157,118)	106,747
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(1,374,388)	(1,071,349)
Proceeds from disposal of property, plant and equipment	253	44,053
Decrease in other receivables	6,688	-
Acquisition of intangible assets	(192)	(5,069)
Acquisition of right-of-use assets	(577)	-
Increase in other financial assets	(47,947)	(503,648)
Decrease in other financial assets	378,073	-
Increase in prepayments for equipment	(673)	(16,673)
Net cash flows used in investing activities	(1,038,763)	(1,552,686)
Cash flows from financing activities:		
Increase in short-term loans	695,874	5,765,361
Decrease in short-term loans	(520,416)	(5,864,829)
Decrease in other non-current liabilities	(228)	-
Proceeds from long-term loans	81,986	-
Repayments of long-term loans	(15,012)	(41,060)
Prepayment of lease principal	(1,409)	(915)
Cash dividends paid	(146,921)	(314,035)
Cost of increase in treasury stock	(50,354)	(98,447)
Change in non-controlling interests	12,118	-
Net cash flows from (used in) financing activities	55,638	(553,925)
Effect of exchange rate changes on cash and cash equivalents	120,834	37,971
Net decrease in cash and cash equivalents	(1,019,409)	(1,961,893)
Cash and cash equivalents at beginning of year	1,629,156	3,591,049
Cash and cash equivalents at end of year	\$ 609,747	1,629,156

See accompanying notes to consolidated financial statements.

Annex VI 2019 Profit Distribution Table

GREEN RIVER HOLDING CO. LTD.

綠河股份有限公司

2019 PROFIT DISTRIBUTION TABLE

Item	Subtotal	Total
Beginning Period		941,446,694
Deduct: Actuarial gains (losses) through retained earnings	3,939,430	
Deduct: 2019 Net Loss	306,643,053	
Deduct: Adjust Retained Earning for cancelling treasury shares	80,897,023	
Distributable Retained Earnings this period		385,588,881
Deduction:		
Distributed Items:		
Stock Dividend (1.50 per share)	109,965,450	
End of Period Undistributed Retained Earnings		275,623,431
Note:		

Total 73,310,300 shares of outstanding common shares in the Company are entitled to participate in the distribution (Excluding treasury shares 460,000 shares)

Annex VII Comparison Table for Amendments to the Policies and Procedures for Loaning of Funds and Making of Endorsements and Guarantees

Comparison Table for Amendments to the Policies and Procedures for Loaning of Funds and Making of Endorsements and Guarantees of Green River Holding Co. Ltd.

Amended article	Existing article	Explanation
<p>Article 2</p> <p>The Company shall comply with these Procedures when making loans to and endorsements/guarantees for others; provided that where <u>financial laws or regulations provide otherwise, such provisions shall govern.</u></p>	<p>Article 2</p> <p>The Company shall comply with these Procedures when making loans to and endorsements/guarantees for others; provided that where <u>another act or regulation provides otherwise, the provisions of such act shall prevail.</u></p>	Revision has been made in accordance with the amendment of related laws and regulations
<p>Article 3</p> <p>Entities to which the Company can loan funds</p> <p>Under Article 15 of the Company Act of Taiwan (R.O.C.), the Company shall not loan funds to any of its shareholders or any other person except under the following circumstances:</p> <ol style="list-style-type: none"> 1. Where an inter-company or inter-firm business transaction calls for a loan arrangement; or 2. Where an inter-company or inter-firm short-term financing facility is necessary. The term “short-term” means one year. 3. Instead of any regulations in the registered site of the subsidiary company should be followed, the overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares can loan funds to each other because of the capital movement or the demand for operations; <u>or a overseas company in which the Company</u> 	<p>Article 3</p> <p>Entities to which the Company can loan funds</p> <p>Under Article 15 of the Company Act of Taiwan (R.O.C.), the Company shall not loan funds to any of its shareholders or any other person except under the following circumstances:</p> <ol style="list-style-type: none"> 1. Where an inter-company or inter-firm business transaction calls for a loan arrangement; or 2. Where an inter-company or inter-firm short-term financing facility is necessary. The term “short-term” means one year, <u>or where the Company’s operating cycle exceeds one year, one operating cycle.</u> 3. Instead of any regulations in the registered site of the subsidiary company should be followed, the overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares can loan funds to each other because of the capital movement or the demand for operations. The restriction in paragraph 1, 	Revision has been made in accordance with the amendment of related laws and regulations and the Company practice.

Amended article	Existing article	Explanation
<p><u>holds, directly or indirectly, 100% of the voting shares loan funds to the Company.</u> The restriction in paragraph 1, subparagraph 2 about short-term financing facility shall not apply to the inter-company loans above.</p> <p>The aggregate amount of loans and the maximum amount permitted to a single borrower</p> <ol style="list-style-type: none"> 1. The total amount available for lending purpose shall not exceed forty percent (40%) of the Company's net worth. The maximum amount for lending a single borrower, <u>or enterprises in any single industry and financing to any single group of affiliated enterprises, or members of a single corporate group</u> shall not exceed forty percent (40%) of the Company's net worth. 2. The total lending amount to a company or a firm having business relationship with the Company shall not exceed total transaction amount between both parties (the "transaction amount" shall mean sales or purchase amount between both parties whichever is commensurate during the period of one year prior to the time of lending), and shall not exceed forty percent (40%) of the Company's net worth. 3. The total lending amount to a company or a firm who is in need of fund for a short-term period shall not exceed forty percent (40%) of the Company's net worth. 4. The total amount and the maximum amount for fund lending between the overseas companies whose voting shares are 100% owned by the Company, either directly or indirectly; <u>or an overseas company in which the Company holds, directly or indirectly, 100% of the</u> 	<p>subparagraph 2 about short-term financing facility shall not apply to the inter-company loans above.</p> <p>The aggregate amount of loans and the maximum amount permitted to a single borrower</p> <ol style="list-style-type: none"> 1. The total amount available for lending purpose shall not exceed forty percent (40%) of the Company's net worth. The maximum amount for lending a single borrower shall not exceed forty percent (40%) of the Company's net worth. 2. The total lending amount to a company or a firm having business relationship with the Company shall not exceed total transaction amount between both parties (the "transaction amount" shall mean sales or purchase amount between both parties whichever is commensurate during the period of one year prior to the time of lending), and shall not exceed forty percent (40%) of the Company's net worth. 3. The total lending amount to a company or a firm who is in need of fund for a short-term period shall not exceed forty percent (40%) of the Company's net worth. 4. The total amount for fund lending between the overseas companies whose voting shares are 100% owned by the Company, either directly or indirectly, <u>will not be subject to the limit which is mentioned in previous subparagraph 1, 2, and 3.</u> 	

Amended article	Existing article	Explanation
<p><u>voting shares loan funds to the Company, shall not exceed three hundred percent (300%) and one hundred and fifty percent (150%), respectively, of the Company's net worth.</u></p> <p>Duration of loans and calculation of interest</p> <p>The duration of each loan (including loan extension) shall be in one year. Under special circumstances, the duration of loan can be extended based on the actual situation after the approval by the board of directors without disobeying relevant regulations of the competent authority.</p> <p>The interest of each loan shall be based on lending base rate of the Company's correspondent banks and may be adjusted according to the Company's cost of funds.</p> <p>Inter-company loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares <u>or an overseas company in which the Company holds, directly or indirectly, 100% of the voting shares loan funds to the Company,</u> may be adjusted for the duration of loans and calculation of interest in according to actual needs after approved by the board of directors. The maximum duration for lending single borrower shall not exceed 5 years and cannot be extend.</p>	<p>Duration of loans and calculation of interest</p> <p>The duration of each loan (including loan extension) shall be in one year, <u>or where the Company's operating cycle exceeds one year, should be in one operating cycle.</u> Under special circumstances, the duration of loan can be extended based on the actual situation after the approval by the board of directors without disobeying relevant regulations of the competent authority.</p> <p>The interest of each loan shall be based on lending base rate of the Company's correspondent banks and may be adjusted according to the Company's cost of funds.</p> <p>Inter-company loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares may be adjusted for the duration of loans and calculation of interest in according to actual needs after approved by the board of directors. The maximum duration for lending single borrower shall not exceed 5 years and cannot be extend.</p>	
<p>Article 5</p> <p>Entities for which the Company can make endorsements/guarantees</p> <p>The Company may make endorsements/guarantees for the following companies:</p> <p>1. A company with which it does business.</p>	<p>Article 5</p> <p>Entities for which the Company can make endorsements/guarantees</p> <p>The Company may make endorsements/guarantees for the following companies:</p> <p>1. A company with which it does business.</p>	<p>Word Revision in Chinese Version</p>

Amended article	Existing article	Explanation
<p>2. A company in which the Company directly or indirectly holds more than 50% of the voting shares.</p> <p>3. A company that directly or indirectly holds more than 50% of the voting shares in the Company.</p> <p>Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other.</p> <p>Where all capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, such endorsements/ guarantees may be made free of the restriction of the preceding two paragraphs.</p> <p>Capital contribution referred to in the preceding paragraph shall mean capital contribution directly by the Company, or through a company in which the Company holds 100% of the voting shares.</p> <p>Aggregate endorsement/guarantee amount and the amount for any single entity.</p> <p>1. The aggregate endorsement/guarantee amount of the Company shall not exceed three hundred percent (300%) of the Company's net worth; and the endorsement/guarantee amount of the Company for any single entity shall not exceed one hundred and fifty percent (150%) of the Company's net worth.</p> <p>2. The aggregate endorsement/guarantee amount of the Company and its subsidiaries shall not exceed three hundred percent (300%) of the Company's net worth; and the endorsement/guarantee amount of</p>	<p>2. A company in which the Company directly or indirectly holds more than 50% of the voting shares.</p> <p>3. A company that directly or indirectly holds more than 50% of the voting shares in the Company.</p> <p>Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other.</p> <p>Where all capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, such endorsements/ guarantees may be made free of the restriction of the preceding two paragraphs.</p> <p>Capital contribution referred to in the preceding paragraph shall mean capital contribution directly by the Company, or through a company in which the Company holds 100% of the voting shares.</p> <p>Aggregate endorsement/guarantee amount and the amount for any single entity.</p> <p>1. The aggregate endorsement/guarantee amount of the Company shall not exceed three hundred percent (300%) of the Company's net worth; and the endorsement/guarantee amount of the Company for any single entity shall not exceed one hundred and fifty percent (150%) of the Company's net worth.</p> <p>2. The aggregate endorsement/guarantee amount of the Company and its subsidiaries shall not exceed three hundred percent (300%) of the Company's net worth; and the endorsement/guarantee amount of</p>	

Amended article	Existing article	Explanation
<p>the Company and its subsidiaries for any single entity shall not exceed two hundred percent (200%) of the Company's net worth.</p> <p>3. When the Company makes endorsements/guarantees with for a company having business relationship, the Company should consider the transaction amount between both parties (the "transaction amount" shall mean sales or purchasing purchase amount between both parties whichever is commensurate during the period of one year prior to the time of making endorsements/guarantees).</p> <p>Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares make endorsements/guarantees amount for each other may not exceed 10% of the net worth of the Company, provided that the previous subparagraph restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.</p>	<p>the Company and its subsidiaries for any single entity shall not exceed two hundred percent (200%) of the Company's net worth.</p> <p>3. When the Company makes endorsements/guarantees with for a company having business relationship, the Company should consider the transaction amount between both parties (the "transaction amount" shall mean sales or purchasing purchase amount between both parties whichever is commensurate during the period of one year prior to the time of making endorsements/guarantees).</p> <p>Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares make endorsements/guarantees amount for each other may not exceed 10% of the net worth of the Company, provided that the previous subparagraph restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.</p>	
<p>Article 7</p> <p>The term "announce and report" as used in these Procedures means the process of entering data to the information reporting website designated by the Financial Supervisory Commission ("FSC").</p> <p>"Date of occurrence" in these Procedures means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the <u>loan of funds or endorsement/guarantee</u>, whichever date is earlier.</p>	<p>Article 7</p> <p>The term "announce and report" as used in these Procedures means the process of entering data to the information reporting website designated by the Financial Supervisory Commission ("FSC").</p> <p>"Date of occurrence" in these Procedures means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the <u>transaction</u>, whichever date is earlier.</p>	<p>Revision has been made in accordance with the amendment of related laws and regulations</p>
<p>Article 8</p> <p>The Company intending to loan funds to</p>	<p>Article 8</p> <p>The Company intending to loan funds to</p>	<p>Revision has been made in</p>

Amended article	Existing article	Explanation
<p>others shall have the Procedures, after passed by the board of directors and the Audit Committee, submit them for approval by the shareholders' meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinion for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.</p> <p><u>Where the Company has established an audit committee, the adoption or amendment of the Procedures shall require the approval of one-half or more of all audit committee members, and furthermore shall be submitted for a resolution by the board of directors.</u></p> <p><u>If the approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>The terms "all audit committee members" in paragraph 2 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p>	<p>others shall have the Procedures, after passed by the board of directors and/or the Audit Committee, submit them for approval by the shareholders' meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinion for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.</p> <p><u>Where the Company has established the position of independent director, when it submits the Policies and Procedures for discussion by the board of directors under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</u></p>	<p>accordance with the amendment of related laws and regulations and the Company practice.</p>

Amended article	Existing article	Explanation
<p>Article 10</p> <p>Procedures for controlling and managing loans of funds to others by subsidiaries:</p> <p>Where a subsidiary of the Company intends to make loans to others, the Company shall instruct the subsidiary to formulate its own policies and procedures for loaning of funds <u>in compliance with the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies ("these Regulations ")</u> and it shall comply with those policies and procedures when loaning funds. Also, the subsidiary should provide relative information to the Company for check periodically.</p>	<p>Article 10</p> <p>Procedures for controlling and managing loans of funds to others by subsidiaries:</p> <p>Where a subsidiary of the Company intends to make loans to others, the Company shall instruct the subsidiary to formulate its own policies and procedures for loaning of funds and it shall comply with those policies and procedures when loaning funds. Also, the subsidiary should provide relative information to the Company for check periodically.</p>	<p>Revision has been made in accordance with the amendment of related laws and regulations</p>
<p>Article 11</p> <p>The Company intending to make endorsements or guarantees for others shall have the Procedures, after passed by the board of directors and the Audit Committee, submit them for approval by the shareholders' meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinion for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.</p> <p><u>Where the Company has established an audit committee, the adoption or</u></p>	<p>Article 11</p> <p>The Company intending to make endorsements or guarantees for others shall have the Procedures, after passed by the board of directors and/or the Audit Committee, submit them for approval by the shareholders' meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinion for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.</p> <p><u>Where the Company has established the position of independent director, when it submits the Policies and Procedures for discussion by the board of directors under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</u></p>	<p>Revision has been made in accordance with the amendment of related laws and regulations</p>

Amended article	Existing article	Explanation
<u>amendment of the Procedures, the provisions of Article 8, paragraphs 2 to 4 shall apply mutatis mutandis.</u>		
<p>Article 13</p> <p>Procedures for controlling and managing endorsements/guarantees by subsidiaries</p> <p>Where a subsidiary of the Company intends to make endorsements or guarantees for others, the Company shall instruct the subsidiary to formulate its own policies and procedures for endorsements/ guarantees <u>in compliance with the Regulations</u> and it shall comply with those policies and procedures when making endorsements/guarantees. Also, the subsidiary should provide relative information to the Company for check periodically.</p>	<p>Article 13</p> <p>Procedures for controlling and managing endorsements/guarantees by subsidiaries</p> <p>Where a subsidiary of the Company intends to make endorsements or guarantees for others, the Company shall instruct the subsidiary to formulate its own policies and procedures for endorsements/ guarantees and it shall comply with those policies and procedures when making endorsements/guarantees. Also, the subsidiary should provide relative information to the Company for check periodically.</p>	Revision has been made in accordance with the amendment of related laws and regulations
<p>Article 14</p> <p>Before making a loan of funds to others, the Company shall carefully evaluate whether the loan is in compliance with the Regulations and the Procedures. The Company may loan funds to others only after the evaluation results under this paragraph and Article 9, have been submitted to and resolved upon by the board of directors. The Company shall not empower any other person to make such decision. If the loan is material, the Company shall submit the evaluation results to the audit committee for approval pursuant related regulations, and the board of directors for resolution.</p> <p>Loans of funds between the Company and its subsidiaries, or between its subsidiaries, shall be submitted for a resolution by the board of directors pursuant to the preceding paragraph, and the Chairman may be authorized, for a specific borrowing counterparty, within a certain monetary limit resolved by the</p>	<p>Article 14</p> <p>Before making a loan of funds to others, the Company shall carefully evaluate whether the loan is in compliance with <u>the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies</u> and the Procedures. The Company may loan funds to others only after the evaluation results under this paragraph and Article 9, have been submitted to and resolved upon by the board of directors. The Company shall not empower any other person to make such decision. If the loan is material, the Company shall submit the evaluation results to the audit committee for approval pursuant related regulations, and the board of directors for resolution.</p> <p>Loans of funds between the Company and its subsidiaries, or between its subsidiaries, shall be submitted for a resolution by the board of directors pursuant to the preceding paragraph, and the Chairman may be authorized, for a specific borrowing counterparty, within a certain monetary limit resolved by the</p>	Revision has been made in accordance with the amendment of related laws and regulations and the Company practice.

Amended article	Existing article	Explanation
<p>board of directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down.</p> <p>The “certain monetary limit” mentioned in the preceding paragraph shall be in compliance with Article 3, <u>paragraph 2, subparagraph 4</u>. In addition, the <u>authorized limit on loans extended by the Company or any of its subsidiaries to any single entity shall not exceed 10% of the net worth on the most current financial statements of the lending company</u>.</p> <p>Where the Company has established the position of independent director, when it loans funds to others, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</p> <p>Subsequent measures for control and management of loans, and procedures for handling delinquent creditor's rights.</p> <p>Periodically evaluate financial condition and credit status of the borrower and guarantor (if any). If overdue loan incurs and uncollectible creditor's right exists after requests, Finance Department shall notify Legal Department to take further recovery actions to ensure the Company's interest.</p>	<p>board of directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down.</p> <p>The “certain monetary limit” mentioned in the preceding paragraph shall be in compliance with Article 3.</p> <p>Where the Company has established the position of independent director, when it loans funds to others, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</p> <p>Subsequent measures for control and management of loans, and procedures for handling delinquent creditor's rights.</p> <p>Periodically evaluate financial condition and credit status of the borrower and guarantor (if any). If overdue loan incurs and uncollectible creditor's right exists after requests, Finance Department shall notify Legal Department to take further recovery actions to ensure the Company's interest.</p>	
<p>Article 17</p> <p>Before making an endorsement/guarantee for others, the Company shall carefully evaluate whether the endorsement/guarantee is in compliance with the Regulations and the Procedures. The Company may make an endorsement/guarantee only after the evaluation results under this paragraph</p>	<p>Article 17</p> <p>Before making an endorsement/guarantee for others, the Company shall carefully evaluate whether the endorsement/guarantee is in compliance with <u>the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies</u> and the Procedures.</p>	<p>Word Revision</p>

Amended article	Existing article	Explanation
<p>and Article 12, have been submitted to and resolved upon by the board of directors, or approved by the chairman of the board, where empowered by the board of directors to grant endorsements/guarantees within a specific limit, for subsequent submission to and ratification by the next board of directors meeting.</p> <p>Before making any endorsement/guarantee pursuant to Article 5, paragraph 2, a subsidiary in which the Company holds, directly or indirectly, 90% or more of the voting shares shall submit the proposed endorsement/guarantee to the Company's board of directors for a resolution, provided that this restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.</p> <p>Where the Company has established the position of independent director, when it makes an endorsement/guarantee for others, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</p> <p>The Company uses the corporate chop registered with the competent authority as the dedicated chop for endorsements/guarantees. The chop shall be kept in the custody of a designated person and may be used to seal or issue negotiable instruments according to the "Procedure for Seal Management" of the Company.</p> <p>When making a guarantee for a foreign</p>	<p>The Company may make an endorsement/guarantee only after the evaluation results under this paragraph and Article 12, have been submitted to and resolved upon by the board of directors, or approved by the chairman of the board, where empowered by the board of directors to grant endorsements/guarantees within a specific limit, for subsequent submission to and ratification by the next board of directors meeting.</p> <p>Before making any endorsement/guarantee pursuant to Article 5, paragraph 2, a subsidiary in which the Company holds, directly or indirectly, 90% or more of the voting shares shall submit the proposed endorsement/guarantee to the Company's board of directors for a resolution, provided that this restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.</p> <p>Where the Company has established the position of independent director, when it makes an endorsement/guarantee for others, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</p> <p>The Company uses the corporate chop registered with the competent authority as the dedicated chop for endorsements/guarantees. The chop shall be kept in the custody of a designated person and may be used to seal or issue negotiable instruments according to the "Procedure for Seal Management" of the Company.</p> <p>When making a guarantee for a foreign</p>	

Amended article	Existing article	Explanation
company, the Company shall have the Guarantee Agreement signed by a person authorized by the board of directors.	company, the Company shall have the Guarantee Agreement signed by a person authorized by the board of directors.	
<p>Article 19</p> <p>Where the Company needs to exceed the limits set out in the Procedures to satisfy its business requirements, and where the conditions set out in the Procedures are complied with, it shall obtain approval from the board of directors and the audit committee and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend the Procedures accordingly and submit the same to the board of director for ratification after the fact. If the board of director does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time limit.</p> <p>Where the Company has established the position of independent director, when the directors of board discuss the matter under paragraph 1, it shall take into full consideration the opinions of each independent director; independent directors' opinions specifically expressing assent or dissent and the reasons for dissent shall be included in the minutes of the board of directors' meeting.</p>	<p>Article 19</p> <p>Where the Company needs to exceed the limits set out in the Procedures to satisfy its business requirements, and where the conditions set out in the Procedures are complied with, it shall obtain approval from the board of directors and/or the audit committee and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend the Procedures accordingly and submit the same to the board of director for ratification after the fact. If the board of director does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time limit.</p> <p>Where the Company has established the position of independent director, when the directors of board discuss the matter under paragraph 1, it shall take into full consideration the opinions of each independent director; independent directors' opinions specifically expressing assent or dissent and the reasons for dissent shall be included in the minutes of the board of directors' meeting.</p>	Word Revision
<p>Article 25</p> <p>The Company whose balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence:</p> <ol style="list-style-type: none"> 1. The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50 percent or more of the Company's net worth as stated in its latest 	<p>Article 25</p> <p>The Company whose balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence:</p> <ol style="list-style-type: none"> 1. The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50 percent or more of the Company's net worth as stated in its 	Revision has been made in accordance with the amendment of related laws and regulations

Amended article	Existing article	Explanation
<p>financial statement.</p> <p>2. The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>3. The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT\$10 millions or more and the aggregate amount of all endorsements/guarantees for, carrying value of equity method investment in, and balance of loans to, such enterprise reaches 30 percent or more of public company's net worth as stated in its latest financial statement.</p> <p>4. The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and reaches 5 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to subparagraph 4 of the preceding paragraph.</p>	<p>latest financial statement.</p> <p>2. The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>3. The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT\$10 million or more and the aggregate amount of all endorsements/guarantees for, investment of a long-term nature in, and balance of loans to, such enterprise reaches 30 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>4. The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and reaches 5 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to subparagraph 4 of the preceding paragraph.</p>	

Annex VIII Comparison Table for Amendments to the Rules of Procedure for Shareholders Meetings

Comparison Table for Amendments to the Rules of Procedure for Shareholders Meetings of Green River Holding Co. Ltd.

Amended article	Existing article	Explanation
<p>Article 3 (Convening shareholders meetings and shareholders meeting notices)</p> <p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.</p> <p>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 <u>designated</u> thereby as well as being distributed on-site at the meeting</p>	<p>Article 3 (Convening shareholders meetings and shareholders meeting notices)</p> <p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.</p> <p>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 <u>its</u> shareholder services agent thereby as well as being distributed on-site at the meeting place.</p>	<p>Revision has been made in accordance with the amendment of related laws and regulations and the Company practice.</p>

Amended article	Existing article	Explanation
<p>place.</p> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors, amendments to the articles of incorporation, <u>reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares,</u> the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act of Taiwan (R.O.C.), Articles 26-1 and 43-6 of the Securities and Exchange Act of Taiwan (R.O.C.), or Articles 56-1 and 60-2 of the <u>Regulations Governing the Offering and Issuance of Securities by Securities Issuers</u> shall be set out in the notice of the reasons for convening the shareholders meeting, <u>and the essential contents shall be explained in the notice to convene a meeting of shareholders.</u> None of the above matters may be raised by an extraordinary motion. <u>The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.</u></p> <p><u>The shareholder meeting notice shall indicate the election of directors and directors' inauguration date. When the election has completed, the inauguration date of directors shall not change by the extraordinary motions or other methods at the same shareholder meeting.</u></p> <p>A shareholder holding 1 percent or more of the total number of issued</p>	<p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors, amendments to the articles of incorporation, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act of Taiwan (R.O.C.), Articles 26-1 and 43-6 of the Securities and Exchange Act of Taiwan (R.O.C.) be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.</p> <p>A shareholder holding 1 percent or more of the total number of issued</p>	

Amended article	Existing article	Explanation
<p>shares may submit to the Company a 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. <u>However, the proposal due to urge the Company to promote public interests or fulfill its social responsibilities may still be included in the meeting agenda.</u> In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act of Taiwan (R.O.C.) apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder <u>proposals in writing or by way of electronic transmission</u>, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>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>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>shares may submit to the Company a <u>written</u> proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act of Taiwan (R.O.C.) apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>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>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>	

Amended article	Existing article	Explanation
<p>Article 6 (Preparation of documents such as the attendance book)</p> <p>Omit first to second paragraph</p> <p>Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. <u>The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders.</u> Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>The paragraph hereafter will be omitted.</p>	<p>Article 6 (Preparation of documents such as the attendance book)</p> <p>Omit first to second paragraph</p> <p>Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>The paragraph hereafter will be omitted.</p>	<p>Revision has been made in accordance with the amendment of related laws and regulations</p>
<p>Article 7 (The chair and non-voting participants of a shareholders meeting)</p> <p>Omit first to second paragraph</p> <p>It is advisable that shareholders meetings convened by the board of directors attended by a majority of the directors, <u>at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.</u></p> <p>The paragraph hereafter will be omitted.</p>	<p>Article 7 (The chair and non-voting participants of a shareholders meeting)</p> <p>Omit first to second paragraph</p> <p>It is advisable that shareholders meetings convened by the board of directors attended by a majority of the directors.</p> <p>The paragraph hereafter will be omitted.</p>	<p>Revision has been made in accordance with the amendment of related laws and regulations</p>
<p>Article 10 (Discussion of proposals)</p> <p>If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. <u>The resolutions of proposals and discussions (including extraordinary motions and the amendment to the contents of the original proposal) shall be voted by</u></p>	<p>Article 10 (Discussion of proposals)</p> <p>If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p>	<p>Revision has been made in accordance with the amendment of related laws and regulations and the</p>

Amended article	Existing article	Explanation
<p><u>poll</u>. 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>Omit second to third paragraph</p> <p>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, <u>call for a vote and arrange adequate time to vote</u>.</p>	<p>Omit second to third paragraph</p> <p>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>Company practice.</p>
<p>Article 13</p> <p>Omit first paragraph</p> <p>When this Corporation holds a shareholders meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. 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; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.</p>	<p>Article 13</p> <p>Omit first paragraph</p> <p>When this Corporation holds a shareholders meeting, <u>it may allow the shareholders to exercise voting rights by correspondence or electronic means (in accordance with the proviso of Article 177-1 of the Company Act of Taiwan (R.O.C.) regarding companies that shall adopt electronic voting: When this Corporation holds a shareholder meeting</u>, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). 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</p>	<p>Revision has been made in accordance with the amendment of related laws and regulations and the Company practice.</p>

Amended article	Existing article	Explanation
	rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.	
The paragraph hereafter will be omitted.	The paragraph hereafter will be omitted.	
Article 15 Omit first and second paragraph The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the statistical tallies of the numbers of votes), <u>and the numbers of votes with which directors were elected when the election of directors was held at the shareholder meeting. The meeting minutes</u> shall be retained for the duration of the existence of this Corporation.	Article 15 Omit first and second paragraph The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the statistical tallies of the numbers of votes), <u>and</u> shall be retained for the duration of the existence of this Corporation.	Revision has been made in accordance with the amendment of related laws and regulations and the Company practice.

IV. Appendices

Appendix I Former Rules of Procedure for Shareholders Meetings

Green River Holding CO. Ltd.

綠河股份有限公司

The Rules of Procedure for Shareholders Meetings

Article 1

To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, the Rules of Procedure for Shareholders Meetings ("these Rules") are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies of Taiwan (R.O.C.).

Article 2

The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3 (Convening shareholders meetings and shareholders meeting notices)

Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

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 its shareholder services agent thereby as well as being distributed on-site at the meeting place.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act of

Taiwan (R.O.C.), Articles 26-1 and 43-6 of the Securities and Exchange Act of Taiwan (R.O.C.), or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

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 of any subparagraph of Article 172-1, paragraph 4 of the Company Act of Taiwan (R.O.C.) apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

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.

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.

Article 4

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the address stated on the shareholders meeting notice before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one which is received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 (Principles determining the time and place of a shareholders meeting)

The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6 (Preparation of documents such as the attendance book)

The Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7 (The chair and non-voting participants of a shareholders meeting)

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the Chairman of the board. When the Chairman of the board is on leave or for any reason unable to exercise the powers of the Chairman, the vice Chairman shall act in place of the Chairman; if there is no vice Chairman or the vice Chairman also is on leave or for any reason unable to exercise the powers of the vice Chairman, the Chairman shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the Chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who

understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors attended by a majority of the directors.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8 (Documentation of a shareholders meeting by audio or video)

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act of Taiwan (R.O.C.), the recording shall be retained until the conclusion of the litigation.

Article 9

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act of Taiwan (R.O.C.); all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act of Taiwan (R.O.C.).

Article 10 (Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

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.

Article 11 (Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12 (Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act of Taiwan (R.O.C.).

When this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means (in accordance with the proviso of Article 177-1 of the Company Act of Taiwan (R.O.C.). regarding companies that shall adopt electronic voting: When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). 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; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act of Taiwan (R.O.C.) and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights which represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair. All monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14 (Election of directors)

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

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files

a lawsuit pursuant to Article 189 of the Company Act of Taiwan (R.O.C.), the ballots shall be retained until the conclusion of the litigation.

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of this Corporation.

Article 16 (Public disclosure)

On the day of a shareholders meeting, the company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange) regulations, the company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 (Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18 (Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act of Taiwan (R.O.C.)

Article 19

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

Appendix II Former Memorandum and Article of Association

FIFTH AMENDED AND RESTATED MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

GREEN RIVER HOLDING CO. LTD.

綠河股份有限公司

(adopted by a Special Resolution passed on June 24, 2019)

Incorporated on the 14th day of January 2011

INCORPORATED IN THE CAYMAN ISLANDS

THE COMPANIES LAW (as amended)

Company Limited by Shares

FIFTH AMENDED AND RESTATED

MEMORANDUM OF ASSOCIATION

OF

Green River Holding Co. Ltd.

綠河股份有限公司

(adopted by a Special Resolution passed on June 24, 2019)

1. The name of the Company is Green River Holding Co. Ltd. 綠河股份有限公司.
2. The Registered Office of the Company shall be at the offices of Portcullis (Cayman) Ltd., The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, 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 the Company shall have full power and authority to carry out any object not prohibited by any law as provided by the Companies Law (as amended).
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by the Companies Law (as amended).
5. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks & Trust Companies Law (as amended), or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Law (as amended), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Law (as amended).
6. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
7. The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.
8. The share capital of the Company is New Taiwan Dollars 1,500,000,000 divided into 150,000,000 ordinary shares of a par value of New Taiwan Dollars 10 each provided always that subject to the provisions of the Companies Law (as amended) and the Articles of Association the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or 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 whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

9. 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).

**FIFTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION
OF
GREEN RIVER HOLDING CO. LTD.
綠河股份有限公司**

(Adopted by a Special Resolution passed on June 24, 2019)

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**FIFTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION
OF
GREEN RIVER HOLDING CO. LTD.**

綠河股份有限公司

(adopted by a Special Resolution passed on [-], 2019)

Table A

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

INTERPRETATION

1. Definitions

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

Applicable Law	the Applicable Public Company Rules, the Law or such other rules or legislation applicable to the Company;
Applicable Public Company Rules	the ROC laws, rules and regulations (including, without limitation, the Company Act of the ROC, the Securities and Exchange Act of the ROC, the rules and regulations promulgated by the FSC and the rules and regulations promulgated by the stock exchange on which the Company is listed, 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;
Articles	these Articles of Association as altered from time to time;
Audit Committee	the audit committee of the Board, which shall comprise solely of all the Independent Directors of the Company;
Board	the board of directors appointed or elected pursuant to 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	Green River Holding Co. Ltd. or 綠河股份有限公司;
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 35.2 hereof;
Directors	the directors for the time being of the Company and shall include any and all Independent Director(s);
Electronic Record	has the same meaning as in the Electronic Transactions Law;
Electronic Transactions Law	the Electronic Transactions Law (2003 Revision) of the Cayman Islands;
ESM	The Emerging Stock Market of the ROC;
Family Relationship within Second Degree of Kinship	in respect of a person, means another person who is related to the first person either by blood or by marriage of a member of the family and within the second degree shall include the parents, siblings, grandparents, children and grandchildren of the first person as well as the parents, siblings and grandparents of the first person's spouse;
FSC	the Financial Supervisory Commission of the ROC;
Independent Directors	the Directors who are elected as "Independent Directors" in accordance with the Applicable Public Company Rules or these Articles;
Joint Operation Contract	a contract between the Company and one or more person(s) or entit(ies) where the parties thereto agree to pursue the same business venture and jointly bear losses and enjoy profits arising out of such business venture in accordance with the terms thereof;
Law	The Companies Law (as amended) 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 Act 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	a transaction whereby: <ul style="list-style-type: none"> (a) a "merger" or "consolidation" as defined under the Law; or (b) other forms of mergers and acquisitions which fall within the definition of "merger and/or consolidation" under the Applicable Public Company Rules;
month	calendar month;
Notice	written notice as further provided in 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 hereof;
Private Placement	means, after the shares are registered on the ESM or listed on the TSE or TPEx, 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 shares are registered on the ESM or listed on the TSE or TPEx,) the Applicable Public Company Rules;
Registered Office	the registered office for the time being of the Company;
Related Parties	has the meaning as set out in No. 24 of the International Accounting Standard;
Restricted Shares	has the meaning given thereto in Article 2.5 hereof;
ROC	the Republic of China (Taiwan);
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;
share swap	an act wherein the shareholders of a company transfer all of the company's issued shares to another company, and such company issues its shares or pays cash or other property to the shareholders of the first company as consideration for the transfer in accordance with the Applicable Public Company Rules;
Special Resolution	Subject to the Law, means a resolution passed at a general meeting of the Company by a majority of at least two-thirds of the votes cast by such Members who, being entitled to do so, vote in person or by their proxies, or, in the case of Members that are corporations or other non-natural person, by their duly authorised representatives by computing the number of votes to which each Member is

	entitled;
spin-off	an act wherein a transferor company transfers all or part of its independently operated business to an existing or a newly incorporated company and that existing transferee company or newly incorporated transferee company issues shares, or pays cash or other property to the transferor company or to shareholders of the transferor company as consideration in accordance with the Applicable Public Company Rules;
Subsidiary	with respect to any company, (1) the entity, more than one half of whose total number of the issued voting shares or the total amount of the share capital are directly or indirectly held by such company; or (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation;
Supermajority Resolution	a resolution passed by a majority vote of the Members present at a general meeting attended by Members who represent two-thirds or more of the total issued shares or, if the total number of shares represented by the Members present at the general meeting is less than two-thirds of the total issued shares, but more than one half of the total issued shares, means instead, a resolution passed by two-thirds or more of votes cast by the Members present at such general meeting;
Treasury Shares	means shares of the Company held in treasury pursuant to the Law and these Articles;
TDCC	means the Taiwan Depository & Clearing Corporation;
TPEx	the Taipei Exchange;
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 the Applicable Law, 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** After the application for registration of the shares on the ESM or listing on the TSE or TPEX has been approved by the TSE or TPEX (as the case may be), unless otherwise stipulated in the ROC Regulations Governing the Offering and Issuance of Securities of Foreign Issuers, where the Company increases its issued share capital by issuing new shares for cash consideration in the ROC, the Company shall allocate 10% of the total amount of the new shares to be issued, for offering in the ROC to the public ("**Public Offering Portion**") unless it is not necessary or appropriate, as determined by the FSC or TSE or TPEX (as the case may be) 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 10% to 15% of such new shares for subscription by the employees of the Company and its Subsidiaries (the "**Employee Subscription Portion**"). The Company may prohibit such employees from transferring the shares so

subscribed within a certain period; provided, however, that such a period cannot be more than two years.

- 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, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3 hereof, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights 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 unsubscribed 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 registered on the ESM or listed on the TSE or TPEx, 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 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 2.11 hereof;
 - (c) in connection with the issue of Restricted Shares in accordance with Article 2.5 hereof;
 - (d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares;
 - (e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares; or

(f) 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** Directors of the Company and its Subsidiaries shall not be eligible for Restricted Shares pursuant to Article 2.5 hereof or the incentive programmes pursuant to Article 2.8 hereof, provided that directors who are also employees of the Company or its Subsidiaries may subscribe for Restricted Shares or participate in an incentive programme in their capacity as an employee and not as a director of the Company or its Subsidiaries.
- 2.11** The Company may enter into agreements with employees of the Company and/or the employees of its Subsidiaries in relation to the incentive programme approved pursuant to Article 2.8 above, whereby employees may subscribe for, within a specific period, a specific number of the shares. The terms and conditions of such agreements shall be no less restrictive on the relevant employee than the terms specified in the applicable incentive programme.

3. Redemption and Purchase of Shares

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

Company Rules.

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

- 3.6** In the event that the Company propose to purchases any share registered on the ESM or listed on the TSE or TPEx 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 registered on the ESM or listed on the TSE or TPEx for any reason.
- 3.7** The Company is authorised to purchase any share registered on the ESM or listed on the TSE or TPEx in accordance with the following manner of purchase:
- (a) the total price of the shares purchased by the Company shall not exceed the sum of retained earnings minus earnings distribution resolved by the Board or the general meeting, plus the following realized capital reserve:
 - (i) the premium received from the disposal of assets that has not been booked as retained earnings;
 - (ii) capital reserve; provided however that income from the shares shall not be included before such shares have been transferred to others;
 - (b) the maximum number of shares purchased by the Company shall not exceed five percent of the total number of issued and outstanding shares of the Company when the shares of the Company are registered on the ESM, or ten percent of the total number of issued and outstanding shares of the Company when the Company is listed on the TSE or TPEx; and
 - (c) the purchase shall be at such time, at such price and on such other terms as determined and agreed by the Board in its sole discretion provided however that:
 - (i) such purchase transactions shall be conducted in accordance with the laws and regulations of the ROC relating to securities transactions and the Applicable Public Company Rules; and
 - (ii) such purchase transactions shall be conducted in accordance with the Law.
- 3.8** Subject to Article 3.5 and the Applicable Public Company Rules, the redemption or repurchase price may be paid in any manner permissible under the Law as determined by the Board.

- 3.9** A delay in payment of the redemption price shall not affect the redemption but, in the case of a delay of more than thirty days, interest shall be paid for the period from the due date until actual payment at a rate which the Directors, after due enquiry, estimate to be representative of the rates being offered by banks holding “A” licenses (as defined in the Banks and Trust Companies Law (Revised) of the Cayman Islands) in the Cayman Islands for thirty day deposits in the same currency.
- 3.10** The Directors may exercise as they think fit the powers conferred on the Company by Section 37(5) of the Law (payment out of capital) but only if and to the extent that the redemption could not otherwise be made (or not without making a fresh issue of shares for this purpose).
- 3.11** Subject as aforesaid, the Directors may determine, as they think fit all questions that may arise concerning the manner in which the redemption of the shares shall or may be effected.
- 3.12** No share may be redeemed unless it is fully paid-up.
- 3.13** The Board may designate as Treasury Shares any of its shares that it purchases or redeems, or any shares surrendered to it, in accordance with the Applicable Law.
- 3.14** No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up of the Company) may be made to the Company in respect of a Treasury Share.
- 3.15** The Company shall be entered in the Register of Members as the holder of the Treasury Shares provided that:
- (a) the Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
 - (b) a Treasury Share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of these Articles or the Law.
- 3.16** After the Company purchases the shares registered on the ESM or listed on the TSE or TPEx, 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 ad-hoc motion. The aggregate number of Treasury Shares resolved at all general meetings and transferred to the employees of the Company and its Subsidiaries shall not exceed 5% of the total issued shares, and each employee may not subscribe for more than 0.5% of the total issued shares in aggregate. The Company may prohibit such employees from transferring such Treasury Shares within a certain period; provided, however, that such a period cannot be more than two years.
- 3.17** Subject to Article 3.16 hereof and the Applicable Public Company Rules, Treasury Shares may be disposed of by the Company on such terms and conditions in accordance with the Applicable Law as determined by the Directors.

4. Rights Attaching to Shares

Subject to Article 2.1 hereof, 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** The Company may issue shares in uncertificated/scripless form or issue share certificates. For so long as the shares are registered on the ESM or listed on the TSE or TPEx, 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, these 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 upon the issue of such shares cause the name of the subscriber and other particulars to be entered onto the Register of Members in accordance with the Law and the Applicable Public Company Rules.

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 (the "Preferred Shares") and cause the rights and obligations thereof to be set forth in these Articles.

- 6.2** For so long as the shares are registered on the ESM or listed on the TSE or TPEX, 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 ;
 - (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 registered on the ESM or listed on the TSE or TPEX, 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 registered on the ESM or listed on the TSE or TPEX, 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 registered on the ESM or listed on the TSE or TPEX 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 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.
- 10.3** On the presentation of the evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration or refuse registration as stipulated in Article 9.3 hereof as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.
- 10.4** Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

11. Alteration of Capital

- 11.1** The Company may from time to time by Ordinary Resolution:
- (a) increase its share capital by new shares of such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;
 - (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
 - (c) convert all or any of its paid up shares into stock and reconvert that stock into paid up shares of any denomination;
 - (d) sub-divide its existing shares, or any of them into shares of a smaller amount

provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived and may by such resolution determine that, as between the holders of the shares resulting from such subdivision, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares; or

- (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

- 11.2** The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under Article 11.1 above and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the new proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise any person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

SPECIAL RESOLUTION AND SUPERMAJORITY RESOLUTION

12. Special Resolution and Supermajority Resolution

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

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

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

- 12.3** Subject to the Law and Articles 12.4 and 12.5 hereof, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution:

- (a) effecting any capitalization of distributable dividends and/or bonuses and/or any other amount prescribed under Article 17 hereof;

- (b) 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.

12.4 If the Company proposes to undertake:

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

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

12.5 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 12.5(a) above.

12.6 Subject to the Applicable 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 existing Members in proportion to the number of shares being held by each of them or by cash.

13. Variation of Rights Attaching to Shares

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the sanction of a Special Resolution passed at a general meeting of the holders of the shares of the class. Notwithstanding the foregoing, if any modification or alteration in the Articles is prejudicial to the preferential rights of any class of shares, such modification or alteration shall be adopted by a Special Resolution and shall also be adopted by a Special Resolution passed at a separate meeting of Members of that class of shares. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue

of further shares ranking *pari passu* therewith. To any such meeting all the provisions of the Articles relating to general meetings shall apply *mutatis mutandis*.

DIVIDENDS AND CAPITALISATION

14. Dividends

14.1 The Board may, subject to approval by the Members by way of Ordinary Resolution or, in the case of Article 12.3(a) hereof, Supermajority Resolution and 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 or shares.

14.2 [deleted]

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

14.4 Subject to the Law and this Article 14 and except as otherwise provided by the rights attached to any shares, the Company may distribute profits in accordance with a proposal for profit distribution approved by the Board and sanctioned by the Members by an Ordinary Resolution, in annual general meetings.

14.5 If there is surplus profit for the year, the Company shall set aside no less than zero point one per cent (0.1%) of the pre-tax profit as employee compensation and no more than three per cent (3%) of the pre-tax profit as compensation for the Directors. However, if the Company has accumulated losses in previous years, it shall reserve an amount of the pre-tax profit for offsetting the accumulated losses. The employee compensation referred to in this Article 14.5 shall be distributed in the form of stock or cash and may be distributed to employees of the Company's Subsidiaries, if such employees satisfy certain qualifications as may be resolved by the Board from time to time.

14.6 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, if there are profits, in making the profit distribution recommendation, the Board shall set aside out of the profits of the Company for each financial year: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) a special surplus reserve as required by the applicable securities authority under the Applicable Public Company Rules ("Special Surplus Reserve"); and (iv) other reserves as determined by the Board for specific purposes. Thereafter, having considered the financial, business and operational factors, including the Company being in the growth stage while competing in a mature industry, its capital expenditure, future expansion projects and financial plans for long term development, the amount to be distributed as dividends shall not be less than ten per cent (10%) of remaining profits. After combining all or part of the accumulated undistributed profits in the previous years and the reversed special surplus reserve, the combined amount shall be allocated as dividends to the Members subject to the discretion of the Directors and upon approval by the Members. Dividends shall be made by way of cash dividend but may also be made by stock dividends or a combination thereof, provided further that, the cash dividends shall not be

less than ten per cent (10%) of the total amount of dividends payable under this Article 14.6.

14.7 The Board shall fix any date as the record date for determining the Members entitled to receive any dividend or other distribution.

14.8 For the purpose of determining Members entitled to receive payment of any dividend or other distributions, the Directors may resolve 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 and the Law.

14.9 No unpaid dividend shall bear interest as against the Company.

15. Capital Reserve and Power to Set Aside Profits

15.1 The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such sum as it thinks proper as a reserve to be used to meet contingencies or for meeting the deficiencies for implementing dividend distribution plans or for any other purpose to which those funds may be properly applied. Pending application, such sums may be in the absolute discretion of the 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.

15.2 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.

15.3 Provided that the Company has no accumulated losses, the Company may, with a proposal recommended by the Board and approved by the Members by the sanction of a Supermajority Resolution, distribute new shares or cash arising out of the Capital Reserve and the 10% reserve set aside by the Company annually before 2015, in whole or in part, to the Members.

16. Method of Payment

16.1 Any dividend, interest, or other monies payable in cash in respect of the shares may be paid by wire transfer to the Member's designated account or by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct.

16.2 In the case of joint holders of shares, any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the holder may in writing direct. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.

16.3 For so long as the shares are traded on the ESM or listed on the TPEx or the TSE, the payment of any dividend shall comply with the Applicable Public Company Rules and

the Law.

17. Capitalisation

Subject to the Applicable Law and Article 12.3(a) hereof, 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

18. Annual General Meetings

18.1 The Company shall hold a general meeting as its annual general meeting within six months following the end of each fiscal year. The Board shall call all annual general meetings.

18.2 Subject to Article 18.1, the annual general meetings shall be held at such time and place as the Board shall appoint.

18.3 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, 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 or TPEx (as the case may be) thereof within two days after the Board adopts such resolution. Where a general meeting is to be held outside the ROC, the Company shall engage a professional stock affairs agent in the ROC to handle the administration of such general meeting (including but not limited to the handling of the voting of proxies submitted by Members).

19. Extraordinary General Meetings

19.1 General meetings other than annual general meetings shall be called extraordinary general meetings.

19.2 The Board may convene an extraordinary general meeting of the Company whenever in their judgment such a meeting is necessary or is desirable.

19.3 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, the Board shall on a Member's requisition as defined in Article 19.4 hereof forthwith proceed to convene an extraordinary general meeting of the Company.

19.4 A Member's requisition set forth in Article 19.3 hereof is a requisition of one or more Members of the Company holding in the aggregate at the date of deposit of the requisition not less than three per cent (3%) of the total number of issued shares of the Company which as at that date have been held by such Member(s) for at least one year.

19.5 The Member's requisition must state in writing the matters to be discussed at the extraordinary general meeting and the reason therefor and must be deposited at the Registered Office and the Company's stock affairs agent located in the ROC.

19.6 If the Board does not within fifteen (15) days from the date of the deposit of the Member's requisition dispatch the notice of an extraordinary general meeting, the requisitionists may themselves convene an extraordinary general meeting in the same manner, as nearly as possible, as that in which general meetings may be convened by the

Board. If it is proposed that the extraordinary general meeting be held outside the ROC, an application shall be submitted by such requisitionists to the TSE or TPEx (as the case may be) for its prior approval.

19.7 Any one or more Member(s) may convene an extraordinary general meeting, provided that such Member or Members have continuously held more than 50% of the total issued shares of the Company for a period of three months or more. The number of the shares held by a Member and the duration of time 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 Book Closure Period.

19.8 If the Board does not or is unable to convene a general meeting (including the annual general meeting) or it is for the Company's benefit, the Independent Director who is a member of the Audit Committee may convene a general meeting when he/she, in his/her absolute discretion, deems necessary.

20. Notice

20.1 Before the shares are registered on the ESM or listed on the TSE or TPEx, at least seven days' notice of a general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of business to be conducted at the meeting.

20.2 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, at least thirty days' notice of an annual general meeting, and at least fifteen days' notice of an extraordinary general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of the business to be considered at the meeting.

20.3 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, the Board shall fix a record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company in accordance with Applicable Public Company Rules and close its Register of Members accordingly in accordance with Applicable Public Company Rules. The Board shall fix the period that the Register of Members shall be closed for transfers (the "Book Closure Period").

20.4 [deleted]

20.5 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, the Company shall announce to the public the notice of a general meeting, the proxy instrument, agendas and materials relating to the matters to be reported and discussed in the general meetings, including but not limited to, election or discharge of Directors, in accordance with Article 20.2 hereof, and shall transmit the same via the Market Observation Post System in accordance with Applicable Public Company Rules. If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document for the Member to exercise his voting power together with the above mentioned materials in accordance with Article 20.2 hereof. The Directors shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be made available to all Members and shall be transmitted to the Market Observation Post System in accordance with the Applicable Public Company Rules.

20.6 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, 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 ad-hoc motion:

- (a) election or discharge of Directors,
- (b) alteration of the Memorandum or Articles,
- (c) capital reduction,
- (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 surplus profit of the Company in the form of new shares capitalization of Capital Reserve and any other amount in accordance with Article 17,
- (h) distribution of new shares or cash to its Members in accordance with Article 15.3 hereof; and
- (i) Private Placement of any equity-related securities to be issued by the Company.

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

- 20.7** For so long as the shares are registered on the ESM or listed on the TSE or TPEx, 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 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.
- 20.8** For so long as the shares are registered on the ESM or listed on the TSE or TPEx, the Company shall make available all the statements and records prepared by the Board and the report prepared by the Audit Committee which will be submitted to the Members at the annual general meeting at the Registered Office (if applicable) and its stock affairs agent located in the ROC ten (10) days prior to such annual general meeting in accordance with Applicable Public Company Rules. Members may inspect and review the foregoing documents from time to time and may be accompanied by their lawyers or certified public accountants for the purpose of such inspection and review.
- 20.9** If the general meeting is convened by the Board and other person entitled to convene a general meeting in accordance with these Articles or any applicable law, the Board and such person may request the Company or the Company's stock affairs agent to provide the Register of Members. Upon the request, the Company shall (and shall order the Company's stock affairs agent to) provide the Register of Members.

21. Giving Notice

- 21.1** Any Notice or document, whether or not to be given or issued under the Articles from the Company to a Member, shall be in writing either by delivering it to such Member in person or by sending it by letter mail or courier service to such Member at his registered address as appearing in the Register of Members or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address. For the purposes of this Article, a notice may be sent via electronic means if so agreed to by the shareholder in writing. The notice of the general meeting to be given to shareholders who own less than 1,000 shares may be given in the form of a public announcement stipulated in the Applicable Public Company Rules; for an annual general meeting and an extraordinary general meeting, such public announcement shall be made thirty days and fifteen days prior to the meeting, respectively.
- 21.2** Any Notice or other document shall be deemed to be effective when it is sent in accordance with Articles 20 and 21 of these Articles. Any Notice or document may be given to a Member either in the 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.

22. 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 provided that in the event that the Members resolve to postpone the general meeting to a specified date which is not more than five days, Articles 20.1, 20.2, 20.3, 20.5 and 21 do not apply and notice of the adjournment shall not be required.

23. Quorum and Proceedings at General Meetings

- 23.1** No resolutions shall be adopted unless a quorum is present. Unless otherwise provided for in the Articles, Members present in person or by proxy or in the case of a corporate Member, by corporate representative, representing more than one-half of the total issued shares of the Company entitled to vote, shall constitute a quorum for any general meeting.
- 23.2** For so long as the shares are registered on the ESM or listed on the TSE or TPEx, 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 publish the ratified financial statements and the Company's resolutions on distribution of profits or allocation of losses or distribute copies thereof to each Member or otherwise make the same available to the Members in accordance with the Applicable Public Company Rules.
- 23.3** Unless otherwise provided in the Articles, a resolution put to the vote of the meeting shall be decided on a poll.
- 23.4** For so long as the shares are registered on the ESM or listed on the TSE or TPEx, if and to the extent permitted under the 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 these Articles within 30 days after passing of such resolution. The Taiwan Taipei District Court, ROC, may be the court for adjudicating any disputes arising out of the foregoing.

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

23.6 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, member(s) holding one per cent (1%) or more of the Company's total issued shares immediately prior to the relevant Book Closure Period may propose to the Company in writing or any electronic means designated by the Company one matter for discussion at an annual general meeting. The Company shall give a public notice in such manner as permitted by Applicable Law specifying the place and a period of not less than ten (10) days for Members to submit proposals. The Board shall include the proposals 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 of 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 responsibility, the Board may accept such proposal.

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

24. Chairman to Preside

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

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

25. Voting on Resolutions

25.1 Subject to any rights, privileges or restrictions attached to any share, every Member who (being an individual) is present in person or by proxy or (in the case of a corporation or other non-natural person) by duly authorized corporate representative(s) or by proxy shall have one vote for every share of which he is the holder. A Member who holds shares for benefit of others, need not use all his votes or cast all the votes he holds in the same way as he uses his votes in respect of shares he holds for himself. The qualifications, scope, methods of exercise, operating procedures and other matters for compliance with respect to exercising voting power separately shall comply with the Applicable Public Company Rules.

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

meeting.

26. Proxies

- 26.1** The instrument of proxy shall be in the form approved by the Board from time to time and be expressed to be for a particular meeting only. The form of proxy shall include at least the following information: (a) instructions on how to complete such proxy, (b) the matters to be voted upon pursuant to such proxy, and (c) basic identification information relating to the relevant Member, proxy and the solicitor (if any). The form of proxy shall be provided to the Members together with the relevant notice for the relevant general meeting, and such notice and proxy materials shall be distributed to all Members on the same day.
- 26.2** An instrument of proxy shall be in writing, be executed under the hand of the appointor or 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.
- 26.3** For so long as the shares are registered on the ESM or listed on the TSE or TPEx, subject to the Applicable Public Company Rules, except for an ROC trust enterprise or stock affair agents approved pursuant to Applicable Public Company Rules, save with respect to the Chairman being deemed appointed as proxy under Article 25.4 hereof, 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 Closure Period, during which the Company close its Register of Member; any vote in respect of the portion in excess of such three per cent (3%) threshold shall not be counted.
- 26.4** In the event that a Member exercises his voting power by way of a written ballot or electronic transmission and has also authorised a proxy to attend a general meeting, the voting power exercised by the proxy at the general meeting shall prevail. After the instrument of proxy is deposited at the Company, in the event that the Member intends to attend the general meeting in person or to exercise his voting power by way of a written ballot or electronic transmission, he shall, at least two (2) days prior to the date of such general meeting, serve the Company with a separate notice revoking his previous appointment of the proxy. Votes by way of proxy shall remain valid if the relevant Member fails to revoke his appointment of such proxy before the prescribed time.
- 26.5** The instrument of proxy shall be deposited at the Registered Office or the office of the Company's stock affairs agent in the ROC or at such other place as is specified for that purpose in the meeting notice or in any instrument of proxy sent out by the Company not less than five (5) days before the meeting or adjourned meeting at which the person named in the instrument will vote, save with respect to the Chairman being deemed appointed as proxy under Article 25.4 hereof. Where more than one instrument to vote are received from the same Member by the Company, the first instrument received shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous proxy in the later-received instrument.

27. Proxy Solicitation

For so long as the shares are registered on the ESM or listed on the TSE or TPEx, the use and solicitation of proxies shall be conducted in compliance with the Applicable Public Company

Rules, including but not limited to "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."

28. Dissenting Member's Appraisal Right

28.1 Subject to 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.

28.2 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.

29. Shares that May Not be Voted

29.1 Shares held:

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

shall not carry any voting rights nor be counted in the total number of issued shares at any given time but only for so long as the circumstances described above (as applicable) continue.

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

29.3 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, if the number of shares pledged by a Director at any time amounts to more than 50% of the total shares held by such Director at the time of his latest appointment, such pledged shares exceeding 50% of the total shares held by such Director at the time of his latest appointment shall not carry any voting rights and such above-threshold shares shall not

be counted in determining the number of votes of the Members present at a general meeting but shall be counted towards the quorum of the general meeting.

30. Voting by Joint Holders of Shares

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

31. Representation of Corporate Member

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

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

32. Adjournment of General Meeting

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

33. Directors Attendance at General Meetings

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

DIRECTORS AND OFFICERS

34. Number and Term of Office of Directors

34.1 There shall be a Board consisting of seven (7) to nine (9) persons, including three (3) independent directors. 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 next general meeting following the expiration of such term, at which new Directors will be elected. Directors may be eligible for re-election. The Company may from time to time by Special Resolution increase or reduce the number of Directors, subject to the foregoing and the

Applicable Law.

- 34.2** For so long as the shares are registered on the ESM or listed on the TSE or TPEx, the number of Directors having a spousal relationship or Family Relationship within Second Degree of Kinship with any other Directors shall be less than half of the total number of Directors.
- 34.3** In the event that the Company convenes a general meeting for the election of Directors and any of the Directors elected does not meet the requirements provided in Article 34.2 hereof, the non-qualifying Director(s) who was elected with the fewest number of votes shall be deemed not to have been elected, to the extent necessary to meet the requirements provided for in Article 34.2 hereof. Any person who has already served as a Director but is in violation of the aforementioned requirements shall be automatically discharged from his office effective from the date of such violation without any action required on behalf of the Company.
- 34.4** For so long as the shares are registered on the ESM or listed on the TSE or TPEx, 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. Before the shares are registered on the ESM or listed on the TSE or TPEx, the Board may resolve that the Company shall hold an election of Independent Director(s).
- 34.5** The Directors (including Independent Directors) shall be nominated by adopting the candidate nomination system specified in the Applicable Public Company Rules for so long as the shares are traded on the ESM or listed on the TSE or TPEx.
- 34.6** Independent Directors shall have professional knowledge and shall maintain independence within the scope of their directorial duties, and shall not have any direct or indirect interests in the Company. The professional qualifications, restrictions on shareholdings and concurrent positions, and assessment of independence with respect to Independent Directors shall be consistent with the Applicable Public Company Rules.

35. Election of Directors

- 35.1** The Company may at a general meeting elect any person to be a Director, which vote shall be calculated in accordance with Article 35.2 below. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to elect one or more Directors.
- 35.2** The Director(s) shall be elected by Members upon a poll vote by way of cumulative voting (the manner of voting described in this Article to be referred to as “**Cumulative Voting**”) in the following manner:
- (a) on an election of Directors, the number of votes exercisable by any Member shall be the same as the product of the number of shares held by such Member and the number of Directors to be elected;
 - (b) the Member(s) may vote all or part of their cumulated votes to one or more Director candidates;
 - (c) such number of Director candidates receiving the highest number of votes in the same category (namely, independent or non-independent) of Directors to be elected

shall be appointed; and

- (d) where two or more Director candidates in the same category receive the same number of votes and as a result the total number of new Directors in such category intended to be appointed is exceeded, there shall be a draw by such Director candidates receiving the same number of votes to determine who shall be appointed; the chairman of the meeting shall draw for a Director nominated for appointment who is not present at the general meeting.

35.3 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, 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 the last Independent Director, a general meeting to elect succeeding Independent Directors to fill the vacancies.

35.4 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, 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 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. Before the shares are registered on the ESM or listed on the TSE or TPEx, if the number of Directors is less than five (5) persons due to the vacancy of Director(s) for any reason, the Directors may have the power at any time, and from time to time, to appoint a person as an additional Director or persons as additional Directors.

35.5 Where a legal entity is a Member, its authorized representative may be elected as Director of the Company in accordance with these Articles. If there are more than one authorized representatives, each of them may be nominated for election at a general meeting.

36. Removal of Directors

36.1 The Company may from time to time by Supermajority Resolution remove any Director from office, whether or not appointing another in his stead. Where an election of all Directors is effected at a general meeting prior to the expiration of the term of office of existing Directors, the term of office of all current Directors is deemed to have expired on the date of the election unless otherwise resolved by the Members that all current Directors will not be removed until the expiration of their present term of office. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to such election of all Directors.

36.2 For so long as the shares are registered on the ESM or listed on the TSE or TPEx, in case a Director has, in the course of performing his duties, committed any act resulting in material damage 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 Applicable Law, institute a lawsuit to remove such Director. The Taiwan Taipei District Court, ROC, may be the court for this matter.

37. Vacation of Office of Director

37.1 The office of Director shall be vacated:

- (a) if the Director is removed from office pursuant to these Articles;
- (b) if the Director dies;
- (c) if the Director is automatically discharged from his office in accordance with Article 34.3 hereof;
- (d) if the Director resigns his office by notice in writing to the Company;
- (e) if the Director is the subject of a court order for his removal in accordance with Article 36.2; or
- (f) with immediate effect without any action required on behalf of the Company if
 - (i) the Director has been adjudicated bankrupt or the court has declared a liquidation process in connection with the Director and such Director has not been reinstated to his rights and privileges;
 - (ii) an order is made by any competent court or official on the grounds that the Director has no legal capacity, or his legal capacity is restricted according to Applicable Law;
 - (iii) the Director has committed an offence as specified in the ROC Organized Crime Prevention Act and subsequently has been adjudicated guilty by a final judgment, and (i) has not started serving the sentence, (ii) has not completed serving the sentence, (iii) the time elapsed after completion of serving the sentence or expiration of the probation is less than five years, or (iv) the time elapsed after being pardoned is less than five (5) years;
 - (iv) 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 one year or more by a final judgment, and (i) has not started serving the sentence, (ii) has not completed serving the sentence, (iii) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (iv) the time elapsed after being pardoned is less than two (2) years;
 - (v) the Director has been adjudicated guilty by a final judgment for committing offenses under the Anti-Corruption Act of the ROC, and (i) has not started serving the sentence, (ii) has not completed serving the sentence, (iii) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (iv) the time elapsed after being pardoned is less than two (2) years;
 - (vi) the Director has been adjudicated of the commencement of assistantship (as defined under the Civil Code of the ROC) or similar declaration and such assistantship/declaration having not been revoked yet; or
 - (vii) the Director has been dishonored for use of credit instruments, and the term of such sanction has not expired yet.

In the event that any of the foregoing events specified in Article 37.1(f) has occurred in relation to a candidate for election of Director, such person shall be disqualified from being elected as a Director.

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

38. Compensation of Directors

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

39. Defect in Election of Director

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

40. Directors to Manage Business

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Law or by 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.

41. Powers of the Board of Directors

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

- (a) appoint, suspend, or remove any Officer, 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 an Officer of the Company's day-to-day business and may entrust to and confer upon such Officer 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.

42. Register of Directors and Officers

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

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

42.2 The Board shall, within the period of thirty (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.

43. Officers

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

44. Appointment of Officers

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

45. Duties of Officers

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

46. Compensation of Officers

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

47. Conflicts of Interest

47.1 Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company and such Director or such Director's firm, partner or company shall be entitled to compensation as if such Director were not a Director; provided that this Article 47.1 shall not apply to Independent Directors.

47.2 Notwithstanding anything to the contrary contained in this Article 47, a Director who is directly or indirectly interested in any matter under discussion at a meeting of the Directors or a contract or proposed contract or arrangement with the Company shall declare the nature and the essential contents of such interest at the relevant meeting of the Directors as required by the Applicable Law. Where the spouse, the person related to a Director by blood and within the second degree (as defined under the ROC Civil Code),

or any company which has a controlling or controlled 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.

47.3 Notwithstanding anything to the contrary contained in this Article 47, a Director who has a personal interest in the matter under discussion at a meeting of the Directors, which may conflict with and impair the interest of the Company, shall not vote nor exercise voting rights on behalf of another Director; the voting right of such Director who cannot vote or exercise any voting right as prescribed above shall not be counted in the number of votes of Directors present at the board meeting.

47.4 Notwithstanding anything to the contrary contained in this Article 47, a Director who is engaged in anything on his own account or on behalf of another person, which is within the scope of the Company's business, shall explain to the Members in a general meeting the essential contents of such conduct and seek their approval by Supermajority Resolution.

48. Indemnification and Exculpation of Directors and Officers

48.1 The Directors and Officers of the Company and any trustee for the time being acting in relation to any of the affairs of the Company and every former director, officer or trustee and their respective heirs, executors, administrators, and personal representatives (each of which persons being referred to in this Article as an "indemnified party") shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud, dishonesty or breach of duties provided under Article 48.4 which may attach to any of the said persons.

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

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

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

- (b) request in writing any Independent Director(s) of the Audit Committee to file a petition for and on behalf of the Company against any of the Directors; the petition may be filed with the Taipei District Court, ROC as the court of the first instance; or

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

- 48.4** Without prejudice and subject to the general directors' duties that a Director owe to the Company and its shareholders under common law principles and the laws of the Cayman Islands, a Director shall perform his fiduciary duties of loyalty and due care of a good administrator in the course of conducting the Company's business, and shall indemnify the Company, to the maximum extent legally permissible, from any loss incurred or suffered by the Company arising from breach of his fiduciary duties. If a Director has made any profit for the benefit of himself or any third party as a result of any breach of his fiduciary duties, the Company shall, if so resolved by the Members by way of an Ordinary Resolution, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover such profit from such relevant Director. If a Director has, in the course of conducting the Company's business, violated any laws or regulations that causes the Company to become liable for any compensation or damages to any person, such Director shall become jointly and severally liable for such compensation or damages with the Company and if any reason such Director is not made jointly and severally liable with the Company, such Director shall indemnify the Company for any loss incurred or suffered by the Company caused by a breach of duties by such Director. The Officers, in the course of performing their duties to the Company, shall assume such duties and obligations to indemnify the Company in the same manner as if they are Directors.

MEETINGS OF THE BOARD OF DIRECTORS

49. Board Meetings

- 49.1** Board meetings shall be convened by the Chairman, and the Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit.
- 49.2** For so long as the shares are registered on the ESM or listed on the TSE or TPEx, the Company shall hold regular meetings of the Board at least on a quarterly basis and such meetings shall be held in compliance with the Applicable Public Company Rules.
- 49.3** 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.
- 49.4** A Director may be represented at any meetings of the Board by a proxy appointed in writing by him pursuant to the Applicable Public Company Rules. The proxy shall count towards the quorum and the vote of the proxy shall for all purposes be deemed to be that of the appointing Director.

- 49.5** The instrument appointing a proxy shall be in writing and may at any time be revoked in like manner, and notice of every such appointment or revocation in like manner.
- 49.6** A proxy must be a Director and can only act on behalf of one appointing Director at a meeting of the Board.
- 49.7** The decision of the Company to not to increase its investment in the Subsidiaries shall require the approval by a majority of the Directors at a meeting of the Board attended by two-thirds or more of the total number of the Directors.
- 49.8** The promulgation or amendment of any rules or management measures with respect to the Related Parties shall require the approval by a majority of the Directors at a meeting of the Board attended by all Independent Directors and two-thirds or more of the total number of the Directors and at such meeting, all Independent Directors shall be able to express their respective opinions on the promulgation or amendment of such rules or management measures.

50. Notice of Board Meetings

- 50.1** The Chairman may, and the Secretary on the requisition of the Chairman shall, at any time summon a meeting of the Board.
- 50.2** Before the shares are registered on the ESM or listed on the TSE or TPEx, at least 48 hours prior notice shall be given for any meeting of the Board provided that in the case of urgent circumstances as agreed by a majority of the Directors, a meeting of the Board may be convened on short notice, or be held anytime after notice has been given to every Director or be convened without prior notice if all Directors agree. For so long as the shares are registered on the ESM or listed on the TSE or TPEx, 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. For the purposes of this Article, a notice may be sent via electronic means if so agreed to by the Directors.

51. Participation in Meetings by Video Conference

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

52. Quorum at Board Meetings

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

53. Board to Continue in the Event of Vacancy

The Board may act notwithstanding any vacancy in its number.

54. Chairman to Preside

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

55. Validity of Prior Acts of the Board

No regulation or alteration to 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

56. Minutes

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

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

57. Register of Mortgages and Charges

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

57.2 The Register of Mortgages and Charges shall be open to inspection by Members and creditors in accordance with the Law, at the Registered Office on every business day in the Cayman Islands, subject to such reasonable restrictions as the Board may impose, so that not less than two (2) hours in each such business day be allowed for inspection.

58. Form and Use of Seal

58.1 The Seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf; and, until otherwise determined by the Directors, the Seal shall be affixed in the presence of a Director or the Secretary or an assistant secretary or some other person authorised for this purpose by the Directors or the committee of Directors.

58.2 Notwithstanding the foregoing, the Seal may without further authority be affixed by way of authentication to any document required to be filed with the Registrar of Companies in the Cayman Islands, and may be so affixed by any Director, Secretary or assistant secretary of the Company or any other person or institution having authority to file the document as aforesaid.

58.3 The Company may have one or more duplicate Seals, as permitted by the Law; and, if the Directors think fit, a duplicate Seal may bear on its face of the name of the country, territory, district or place where it is to be issued.

TENDER OFFER AND ACCOUNTS

59. Tender Offer

Any public announcement in connection with any tender offer of the shares shall be in compliance with the Applicable Public Company Rules, including but not limited to the Regulations Governing Public Tender Offers for Securities of Public Companies.

60. Books of Account

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

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

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

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

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

61. Financial Year End

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

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

AUDIT COMMITTEE

62. Number of Committee Members

For so long as the shares are registered on the ESM or listed on the TSE or TPEx, the Board shall set up an Audit Committee. The Audit Committee shall comprise solely of Independent Directors and all Independent Directors shall be members of the Audit Committee. The number of 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 on a quarterly basis 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. Before the shares are listed on the ESM or TSE or TPEx, the Board may resolve to set up the Audit Committee.

63. Powers of Audit Committee

63.1 The Audit Committee (if established) shall have the responsibilities and powers as specified under the Applicable Public Company Rules. Any of the following matters of the Company shall require the consent of one-half or more of all Audit Committee

members and be submitted to the Board for resolution:

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

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

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

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

VOLUNTARY WINDING-UP AND DISSOLUTION

64. Winding-Up

64.1 Subject to the Law, the Company may be voluntarily wound up in accordance with Article 12.5.

64.2 If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution, divide amongst the Members in specie or in kind the whole or any part of the

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

CHANGES TO CONSTITUTION

65. Changes to Articles

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

66. [deleted]

67. [deleted]

APPOINTMENT OF LITIGIOUS AND NON-LITIGIOUS AGENT

68. Appointment of Litigious and Non-Litigious Agent

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

OTHERS

69. ROC Securities Laws and Regulations

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

70. Social Responsibility

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

Appendix III Former Ethical Corporate Management Best Practice Principles

Green River Holding CO. LTD.

綠河股份有限公司

Ethical Corporate Management Best Practice Principles

Article 1 (Purpose and Basis)

These Principles are adopted from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM to assist the Company in fostering a corporate culture of ethical management and sound development and offer a reference framework for establishing good commercial practices.

Article 2 (Applicable Scope)

This principle is applicable to its business groups and organizations of the Company, which comprise its subsidiaries, any foundation to which the Company's direct or indirect contribution of funds exceeds 50 percent of the total funds received, and other institutions or juridical persons which are substantially controlled by such company ("business group").

Article 3 (Prohibiting Unethical Conduct)

When engaging in commercial activities, directors, independent 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.

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, supervisors, managers, employees or substantial controllers or other stakeholders.

Article 4 (Type of Benefits)

"Benefits" in these Principles means any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 5 (Regulations Compliance)

The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/GTSM listing rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.

Article 6 (Policies)

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.

Article 7 (Scopes and Prevention Programs of Unethical Conduct)

The Company shall in its ethical management policy clearly and thoroughly prescribed the specific ethical management practices and the programs to forestall unethical conduct ("prevention programs"), including operational procedures, guidelines, and training.

When establishing the prevention programs, the Company shall comply with relevant laws and regulations of the territory where the Company and business group are operating.

In the course of developing the prevention programs, the Company is advised to negotiate with staff, labor unions members, important trading counterparties, or other stakeholders.

When establishing the prevention programs, the Company shall analyze within the business scope which are possibly at a higher risk of being involved in an unethical conduct, and strengthen the prevention measures.

The prevention programs adopted by the Company shall at least include preventive measures against the following:

1. Offering and acceptance of bribes.
2. Illegal political donations.
3. Improper charitable donations or sponsorship.
4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.
5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.
6. Engaging in unfair competitive practices.
7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.

Article 8 (Commitment and Implementation)

The Company and its respective business group shall clearly specify in rules and external documents the ethical corporate management policies and the commitment by the board of directors and management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.

Article 9 (Ethical Commercial Activities)

The Company shall engage in commercial activities in a fair and transparent manner based on the principle of ethical management.

Prior to any commercial transactions, the Company shall take into consideration the legality of their agents, suppliers, clients, or other trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved.

When entering into contracts with their agents, suppliers, clients, or other trading counterparties, the Company shall include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading counterparties are involved in unethical conduct, the Company may at any time terminate or rescind the contracts.

Article 10 (Prohibition of Bribery)

When conducting business, the Company and its directors, independent directors, managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.

Article 11 (Prohibition of Illegal Political Donations)

When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and its directors, independent 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 (Prohibition of Inappropriate Donation and Sponsorship)

When making or offering donations and sponsorship, the Company and its directors, independent 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 (Prohibition of Unreasonable Presents, Hospitality or other Improper Benefits)

The Company and its directors, independent 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 (Prohibition of Intellectual Property Rights Violations)

The Company and its directors, independent directors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the Company's internal operational procedures, and contractual provisions concerning 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.

Article 15 (Prohibition of Unfair Methods of Competition)

The Company shall engage in business activities in accordance with applicable competition laws and regulations, 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.

Article 16 (Preventing Products and Service Damaging Stakeholders)

In the course of research and development, procurement, manufacture, provision, or sale of products and services, the Company and its directors, independent 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, products and services. The Company 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 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.

Article 17 (Organization and Responsibility)

The directors, independent 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.

To achieve sound ethical corporate management, the Company shall establish a dedicated unit that is under the board of 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 (at least once a year):

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.
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.
3. 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.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistle-blowing system and ensuring its operating effectiveness.
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.

Article 18 (Regulations compliance of business conduct.)

The Company and its directors, independent directors, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.

Article 19 (Preventing Conflicts of Interest of Directors, Independent Directors, and Managers)

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, independent 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.

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, independent 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 him 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.

The Company's directors, independent 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.

Article 20 (Accounting and Internal Audit)

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.

The internal audit unit of the Company shall periodically examine the company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.

Article 21 (Operational Procedures and Guidelines)

The Company shall establish operational procedures and guidelines hereof to guide directors, directors, independent directors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters:

1. Standards for determining whether improper benefits have been offered or accepted.
2. Procedures for offering legitimate political donations.
3. Procedures and the standard rates for offering charitable donations or sponsorship.
4. Rules for avoiding work-related conflicts of interests and how they should be reported and handled.
5. Rules for keeping confidential trade secrets and sensitive business information obtained in the

ordinary course of business.

6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.
7. Handling procedures for violations of these Principles.
8. Disciplinary measures on offenders.

Article 22 (Training and Appraisal System)

The Chairman, 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.

The Company shall periodically organize training and awareness programs for directors, directors, independent directors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.

The Company shall apply the policies of ethical corporate management when creating its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.

Article 23 (whistle-blowing system)

The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:

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.
2. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any tip involving a director or senior manager shall be reported to the independent directors or independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.
3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.
4. Confidentiality of the identity of whistle-blowers and the content of reported cases, and an undertaking regarding anonymous reporting.
5. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.
6. Whistle-blowing incentive measures.

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 or independent directors in written form.

Article 24 (Disciplinary and Appeal System)

The Company shall adopt and publish a well-defined disciplinary and appeal system for handling violations of the ethical corporate management rules, and shall make immediate disclosure on the Company's internal website of the title and name of the violator, the date and details of the violation, and the actions taken in response.

Article 25 (Information Disclosure)

The Company shall collect quantitative data about the promotion of ethical management and continuously analyze and assess the effectiveness of the promotion of ethical management policy. They shall also disclose the measures taken for implementing ethical corporate management, the status of implementation, the foregoing quantitative data, and the effectiveness of promotion on their company websites, annual reports, and prospectuses, and shall disclose their ethical corporate management best practice principles on the Market Observation Post System.

Article 26 (Review and Improvement of Ethical Corporate Management Policies and measures)

The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, directors, independent 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.

Article 27 (Implementation)

The ethical corporate management best practice principles of the Company shall be implemented after the board of directors grants the approval, and shall be sent to the audit committee and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.

The Company has appointed independent directors. 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. If an independent director objects to or expresses reservations about any matter, it 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 objection 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.

The Company has established an audit committee, the provisions regarding supervisors in these Principles shall apply mutatis mutandis to the audit committee.

Appendix IV Former Policies and Procedures for Loaning of Funds and Making of Endorsements/Guarantees

Green River Holding CO. Ltd.

綠河股份有限公司

The Policies and Procedures for Loaning of Funds and Making of Endorsements/Guarantees

Chapter I General Principles

Article 1

The Policies and Procedures for Loaning of Funds and Making of Endorsements/Guarantees ("the Procedures") are adopted pursuant to the Article 36-1 of the Securities and Exchange Act of Taiwan (R.O.C.).

Article 2

The Company shall comply with the Procedures when making loans to and endorsements/guarantees for others; provided that where another act or regulation provides otherwise, the provisions of such act shall prevail.

Article 3

Entities to which the Company can loan funds

Under Article 15 of the Company Act of Taiwan (R.O.C.), the Company shall not loan funds to any of its shareholders or any other person except under the following circumstances:

1. Where an inter-company or inter-firm business transaction calls for a loan arrangement; or
2. Where an inter-company or inter-firm short-term financing facility is necessary. The term "short-term" means one year, or where the Company's operating cycle exceeds one year, one operating cycle.
3. Instead of any regulations in the registered site of the subsidiary company should be followed, the overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares can loan funds to each other because of the capital movement or the demand for operations. The restriction in paragraph 1, subparagraph 2 about short-term financing facility shall not apply to the inter-company loans above.

The aggregate amount of loans and the maximum amount permitted to a single borrower

1. The total amount available for lending purpose shall not exceed forty percent (40%) of the Company's net worth. The maximum amount for lending a single borrower shall not exceed forty percent (40%) of the Company's net worth.

2. The total lending amount to a company or a firm having business relationship with the Company shall not exceed total transaction amount between both parties (the “transaction amount” shall mean sales or purchase amount between both parties whichever is commensurate during the period of one year prior to the time of lending), and shall not exceed forty percent (40%) of the Company’s net worth.
3. The total lending amount to a company or a firm who is in need of fund for a short-term period shall not exceed forty percent (40%) of the Company’s net worth.
4. The total amount for fund lending between the overseas companies whose voting shares are 100% owned by the Company, either directly or indirectly, will not be subject to the limit which is mentioned in previous subparagraph 1, 2, and 3.

Duration of loans and calculation of interest

The duration of each loan (including loan extension) shall be in one year, or where the Company's operating cycle exceeds one year, should be in one operating cycle. Under special circumstances, the duration of loan can be extended based on the actual situation after the approval by the board of directors without disobeying relevant regulations of the competent authority.

The interest of each loan shall be based on lending base rate of the Company’s correspondent banks and may be adjusted according to the Company’s cost of funds.

Inter-company loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares may be adjusted for the duration of loans and calculation of interest in according to actual needs after approved by the board of directors. The maximum duration for lending single borrower shall not exceed 5 years and cannot be extend.

Article 4

The term "endorsements/guarantees" as used in the Procedures refers to the following:

1. Financing endorsements/guarantees, including:
 - A. Bill discount financing.
 - B. Endorsement or guarantee made to meet the financing needs of another company.
 - C. Issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company.
2. Customs duty endorsement/guarantee, meaning an endorsement or guarantee for the Company or another company with respect to customs duty matters.
3. Other endorsements/guarantees, meaning endorsements or guarantees beyond the scope of the above two subparagraphs.

Any creation by the Company of a pledge or mortgage on its chattel or real property as security for the loans of another company shall also comply with the Procedures.

Article 5

Entities for which the Company can make endorsements/guarantees

The Company may make endorsements/guarantees for the following companies:

1. A company with which it does business.
2. A company in which the Company directly or indirectly holds more than 50% of the voting shares.
3. A company that directly or indirectly holds more than 50% of the voting shares in the Company.

Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other.

Where all capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, such endorsements/ guarantees may be made free of the restriction of the preceding two paragraphs.

Capital contribution referred to in the preceding paragraph shall mean capital contribution directly by the Company, or through a company in which the Company holds 100% of the voting shares.

Aggregate endorsement/guarantee amount and the amount for any single entity.

1. The aggregate endorsement/guarantee amount of the Company shall not exceed three hundred percent (300%) of the Company's net worth; and the endorsement/guarantee amount of the Company for any single entity shall not exceed one hundred and fifty percent (150%) of the Company's net worth.
2. The aggregate endorsement/guarantee amount of the Company and its subsidiaries shall not exceed three hundred percent (300%) of the Company's net worth; and the endorsement/guarantee amount of the Company and its subsidiaries for any single entity shall not exceed two hundred percent (200%) of the Company's net worth.
3. When the Company makes endorsements/guarantees with for a company having business relationship, the Company should consider the transaction amount between both parties (the "transaction amount" shall mean sales or purchasing purchase amount between both parties whichever is commensurate during the period of one year prior to the time of making endorsements/guarantees).

Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares make endorsements/guarantees amount for each other may not exceed 10% of the net worth of the Company, provided that the previous subparagraph restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.

Article 6

"Subsidiary" and "parent company" as referred to in the Procedures shall be as determined under the Taiwan Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Where the Company's financial reports are prepared according to the International Financial Reporting Standards, "net worth" in the Procedures means the balance sheet equity attributable to the owners of the parent company under the Taiwan Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 7

The term "announce and report" as used in the Procedures means the process of entering data to the information reporting website designated by the Financial Supervisory Commission ("FSC").

"Date of occurrence" in the Procedures means the date of contract signing, date of payment, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the transaction, whichever date is earlier.

Chapter II Formulation of Operation Procedures

Section I Loans of Funds to Others

Article 8

The Company intending to loan funds to others shall have the Procedures, after passed by the board of directors and/or the Audit Committee, submit them for approval by the shareholders' meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinion for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.

Where the Company has established the position of independent director, when it submits the Policies and Procedures for discussion by the board of directors under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.

Article 9

When the borrower applies to the Company for the loan, the audit unit of the Company should do the detailed review procedures and report, including:

1. The necessity of and reasonableness of extending loans to others.
2. Borrower credit status and risk assessment.
3. Impact on the company's business operations, financial condition, and shareholders' equity.
4. Whether collateral must be obtained and appraisal of the value thereof.

Article 10

Procedures for controlling and managing loans of funds to others by subsidiaries:

Where a subsidiary of the Company intends to make loans to others, the Company shall instruct the subsidiary to formulate its own policies and procedures for loaning of funds and it shall comply with those policies and procedures when loaning funds. Also, the subsidiary should provide relative information to the Company for check periodically.

Section II Endorsements/Guarantees for Others

Article 11

The Company intending to make endorsements or guarantees for others shall have the Procedures, after passed by the board of directors and/or the Audit Committee, submit them for approval by the shareholders' meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinion for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.

Where the Company has established the position of independent director, when it submits the Policies and Procedures for discussion by the board of directors under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.

Article 12

When a company applies to the Company for the endorsements/guarantees, the audit unit of the Company should do the detailed review procedures below, including:

1. The necessity of and reasonableness of endorsements/guarantees.
2. Credit status and risk assessment of the entity for which the endorsement/guarantee is made.
3. The impact on the Company's business operations, financial condition, and shareholders' equity.
4. Whether collateral must be obtained and appraisal of the value thereof.
5. For circumstances in which an entity for which the Company makes any endorsement/ guarantee is a subsidiary whose net worth is lower than half of its paid-in capital, the Company shall review its financial statements on a quarterly basis and request the submission of the financial rectification plans. In the case of a subsidiary with shares having no par value or a par value other than NT\$10, the paid-in capital shall be the sum of the share capital plus paid-in capital in excess of par.

Article 13

Procedures for controlling and managing endorsements/guarantees by subsidiaries:

Where a subsidiary of the Company intends to make endorsements or guarantees for others, the Company shall instruct the subsidiary to formulate its own policies and procedures for endorsements/guarantees and it shall comply with those policies and procedures when making

endorsements/guarantees. Also, the subsidiary should provide relative information to the Company for check periodically.

Chapter III Case Evaluation

Section I Loans of Funds to Others

Article 14

Before making a loan of funds to others, the Company shall carefully evaluate whether the loan is in compliance with the Regulations Governing Lending of Funds and Making of Endorsements/Guarantees by Public Companies and the Procedures. The Company may loan funds to others only after the evaluation results under this paragraph and Article 9, have been submitted to and resolved upon by the board of directors. The Company shall not empower any other person to make such decision. If the loan is material, the Company shall submit the evaluation results to the audit committee for approval pursuant related regulations, and the board of directors for resolution.

Loans of funds between the Company and its subsidiaries, or between its subsidiaries, shall be submitted for a resolution by the board of directors pursuant to the preceding paragraph, and the chairman may be authorized, for a specific borrowing counterparty, within a certain monetary limit resolved by the board of directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down.

The “certain monetary limit” mentioned in the preceding paragraph shall be in compliance with Article 3.

Where the Company has established the position of independent director, when it loans funds to others, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.

Subsequent measures for control and management of loans, and procedures for handling delinquent creditor's rights.

Periodically evaluate financial condition and credit status of the borrower and guarantor (if any). If overdue loan incurs and uncollectible creditor's right exists after requests, Finance Department shall notify Legal Department to take further recovery actions to ensure the Company's interest.

Article 15

The Company shall prepare a memorandum book for its fund-lending activities and truthfully record the following information: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated under paragraph 1 of the preceding Article.

The Company's internal auditors shall audit the Procedures and the implementation thereof no less

frequently than quarterly and prepare written records accordingly. They shall promptly notify the audit committee in writing of any material violation found. And the person who violates the Procedures should be punished according to the personnel management regulations of the Company.

Article 16

If, as a result of a change in circumstances, an entity for which a borrowing counterparty is made does not meet the requirements of the Procedures or the loan balance exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to the audit committee, and shall complete the rectification according to the timeframe set out in the plan.

Section II Endorsements/Guarantees for Others

Article 17

Before making an endorsement/guarantee for others, the Company shall carefully evaluate whether the endorsement/guarantee is in compliance with the Regulations Governing Lending of Funds and Making of Endorsements/Guarantees by Public Companies and the Procedures. The Company may make an endorsement/guarantee only after the evaluation results under this paragraph and Article 12, have been submitted to and resolved upon by the board of directors, or approved by the chairman of the board, where empowered by the board of directors to grant endorsements/guarantees within a specific limit, for subsequent submission to and ratification by the next board of directors meeting.

Before making any endorsement/guarantee pursuant to Article 5, paragraph 2, a subsidiary in which the Company holds, directly or indirectly, 90% or more of the voting shares shall submit the proposed endorsement/guarantee to the Company's board of directors for a resolution, provided that this restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.

Where the Company has established the position of independent director, when it makes an endorsement/guarantee for others, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.

The Company uses the corporate chop registered with the competent authority as the dedicated chop for endorsements/guarantees. The chop shall be kept in the custody of a designated person and may be used to seal or issue negotiable instruments according to the "Procedure for Seal Management" of the Company.

When making a guarantee for a foreign company, the Company shall have the Guarantee Agreement signed by a person authorized by the board of directors.

Article 18

The Company shall prepare a memorandum book for its endorsement/guarantee activities and record in detail the following information for the record: the entity for which the endorsement/guarantee is

made, the amount, the date of passage by the board of directors or of authorization by the chairman of the board, the date the endorsement/guarantee is made, and the matters to be carefully evaluated under paragraph 1 of the preceding article.

The Company's internal auditors shall audit the Procedures and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify the audit committee in writing of any material violation found. And the person who violates the Procedures should be punished according to the personnel management regulations of the Company.

Article 19

Where the Company needs to exceed the limits set out in the Procedures to satisfy its business requirements, and where the conditions set out in the Procedures are complied with, it shall obtain approval from the board of directors and/or the audit committee and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend the Procedures accordingly and submit the same to the board of director for ratification after the fact. If the board of director does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time limit.

Where the Company has established the position of independent director, when the directors of board discuss the matter under paragraph 1, it shall take into full consideration the opinions of each independent director; independent directors' opinions specifically expressing assent or dissent and the reasons for dissent shall be included in the minutes of the board of directors' meeting.

Article 20

Where as a result of changes of condition the entity for which an endorsement/guarantee is made no longer meets the requirements of the Procedures, or the amount of endorsement/guarantee exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to the audit committee, and shall complete the rectification according to the timeframe set out in the plan.

Chapter IV – Information Disclosure

Section I – Loans of Funds to Others

Article 21

The Company shall announce and report the previous month's loan balances of itself and its subsidiaries by the 10th day of each month.

Article 22

The Company whose loans of funds reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence::

1. The aggregate balance of loans to others by the Company and its subsidiaries reaches 20 percent or more of the Company's net worth as stated in its latest financial statement.
2. The balance of loans by the Company and its subsidiaries to a single enterprise reaches 10 percent or more of the Company's net worth as stated in its latest financial statement.
3. The amount of new loans of funds by the Company or its subsidiaries reaches NT\$10 million or more, and reaches 2 percent or more of the Company's net worth as stated in its latest financial statement.

The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to subparagraph 3 of the preceding paragraph.

Article 23

The Company shall evaluate the status of its loans of funds and reserve sufficient allowance for bad debts, and shall adequately disclose relevant information in its financial reports and provide certified public accountants with relevant information for implementation of necessary auditing procedures.

Section II – Endorsements/Guarantees for Others

Article 24

The Company shall announce and report the previous month's balance of endorsements/guarantees of itself and its subsidiaries by the 10th day of each month.

Article 25

The Company whose balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence:

1. The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50 percent or more of the Company's net worth as stated in its latest financial statement.
2. The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20 percent or more of the Company's net worth as stated in its latest financial statement.
3. The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT\$10 million or more and the aggregate amount of all endorsements/guarantees for, investment of a long-term nature in, and balance of loans to, such enterprise reaches 30 percent or more of the Company's net worth as stated in its latest financial statement.
4. The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and reaches 5 percent or more of the Company's net worth as stated in its latest financial statement.

The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to subparagraph 4 of the preceding paragraph.

Article 26

The Company shall evaluate or record the contingent loss for endorsements/guarantees, and shall adequately disclose information on endorsements/guarantees in its financial reports and provide certified public accountants with relevant information for implementation of necessary audit procedures.

Appendix V Current Shareholding of Directors and Supervisors

Position	Name	Date elected	Shareholding while elected		Current shareholding	
			Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)
Chairman	Green Source Investments Ltd Representative : Hsieh, Jung-Hui	2018.06.12	31,836,825	42.58%	31,836,825	43.16%
Director	Chin Tai Holding Inc. Representative : Li, Mu-Wen	2018.06.12	3,574,390	4.78%	3,574,390	4.85%
Director	Forward Thinking Limited Representative : Huang, Teng-Shih	2018.06.12	1,010	-	1,010	-
Director	Park Island Enterprises Limited Representative : Du, King-Ling	2018.06.12	1,010	-	1,010	-
Independent Director	Pai, Pei-Lin	2018.06.12	-	-	-	-
Independent Director	Lin, Wan-Ling	2018.06.12	-	-	-	-
Independent Director	Chang, Jun-En	2018.06.12	-	-	-	-
Total			35,413,235	47.36%	35,413,235	48.01%

Note:

1. Total Issued shares: 73,770,300 shares on 2020/04/21 (book closure date).
2. The book closure period of this year will start from 2020/04/21 to 2020/06/19.
3. As of the book closure date, the company's directors (not including independent directors) together held 35,413,235 shares, accounted for 48.01% of the issued shares.
4. The company register in Cayman. The minimum shareholding requirements for directors and supervisors from the Securities and Exchange Act, article No.26 do not apply. °

Appendix VI The proposals by shareholder(s) followed the Company Act (Article 172 -1), however were not included in the meeting agenda for the following reasons.

According to the company act article 172-1, the Company should accept proposals from shareholders for the shareholder meeting to from 2020/04/13 to 2020/04/22. The Company did not receive any proposal during the period.

Appendix VII The Impact of Stock Dividend Issuance on Business Performance, EPS, and Shareholder Return Rate

According to the announcement in accordance with Ruling No. Tai Chai Cheng (One) 00371 issued by the FSC on 2000/02/01. The Company does not have to disclose the impact of stock dividend issuance because the Company did not prepare and disclose the financial forecast in 2020.