GREEN SEAL HOLDING LIMITED
2019 Annual General Meeting

Meeting Agenda
(Translation)

Time: June 20, 2019
Venue: NTUH International Convention Center, Room 202
       2 HsuChou Road, Taipei City, Taiwan
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1. Call Meeting to Order
Green Seal Holding Limited

Procedures for 2019 Annual General Meeting

(1) Call the Meeting to Order

(2) Chairperson Remarks

(3) Reporting Items

(4) Proposed Items

(5) Discussion Items I

(6) Directors Election

(7) Discussion Items II

(8) Special Motion

(9) Adjournment
2. Meeting Agenda
Green Seal Holding Limited
2019
Agenda of Annual Meeting of Shareholders

(1) Time: 9:00 a.m. on June 20, 2019
(2) Venue: NTUH International Convention Center, Room 202
    2 Hsuchou Road, Taipei City, Taiwan
(3) Announce Number of Shareholders attending the meeting and Call the
    Meeting to Order
(4) Chairperson Remarks
(5) Management Presentations (Reports on Company Affairs)
    1. 2018 Business Report
    2. Audit Committee Review on the 2018 Financial Statements
    3. Report on 2018 Employee Profit Sharing Bonus and Directors’
       Compensation
(6) Proposals and Discussions
    1. 2018 Business Report and Financial Statements
    2. Adoption of the Proposal for Distribution of 2018 Profits
(7) Discussion Items I
    1. Amendment to the Company's Articles of Association
    2. Amendment to the Guidelines for Acquisition and Disposal of Assets
    3. Amendment to the Guidelines for Trading Derivatives
    4. Amendment to the Guidelines for Lending of Capital
    5. Amendment to the Guidelines for Endorsements and Guarantees
(8) Directors Election
    1. Election of the 4th Board (Including Independent Directors)
(9) Discussion Items II
    1. Proposal of Release the Prohibition on Directors from Participation in
       Competitive Business
(10) Special Motion
(11) Adjournment
Management Presentations
(Reports on Company Affairs)

(1) 2018 Business Reports
Explanation:
Please refer to Page 12-14 Attachment 1 for 2018 Business Report.

(2) Audit Committee Review on the 2018 Financial Statements
Explanation:
Please refer to Page 15 Attachment 2.

(3) Report on 2018 Employee Profit Sharing Bonus and Directors’ Compensation
Explanation:
1. According to Company’s Articles of Association 34.1, shall the company records in net profit for the fiscal year, no more than 2% of the net profit shall be allocated as Employee Profit Sharing Bonus and no more than 1% of the net profit shall be distributed as Directors’ Compensation.
2. Green Seal will not distribute Employee Profit Sharing Bonus or Director Compensation for 2018.

Proposals and Discussion

(1) Adoption of 2018 Business Report and Financial Statements
(Proposed by the Board)
Explanation:
1. 2018 Financial Statements, including the balance sheet, income statement, statement of changes in shareholders’ equity, and statement of cash flows, were audited by independent auditors, Ming Nan Chiang and Ching Pin Shih of Deloitte.
2. 2018 Business Report, independent auditors’ audit report, and the above-mentioned Financial Statements are attached in the Meeting Agenda as Attachment 1 on Page 12-14 and as Attachment 3 on Page 16-25.
3. 2018 Business Report and Financial Statements have been approved by the Board of Directors on March 22, 2019 and examined by the Audit Committee of Green Seal Holding Limited.
4. Resolution

(2) Adoption of the Proposal for Distribution of 2018 Profits
(Proposed by the Board)
Explanation:
1. Net loss was recorded in 2018, therefore, no distribution is proposed.
2. Please refer to Page 26 Attachment 4 for Profit Distribution Table.
3. The proposal was approved by the Board of Directors on March 22, 2019 and examined by the Audit Committee of Green Seal Holding Limited.
4. Resolution

Discussion Items I

(1) Amendment to the Company’s Articles of Association
(Proposed by the Board)
Explanation:
1. To conform to the amendments to related laws and regulations, the Company hereby proposes to amend the Articles of Association. Please refer to Page 27~45 (Attachment 5) for details.
2. The proposal was approved by the Board of Directors on March 22, 2019 based on Company’s Article of Association 14.1.
3. Resolution

(2) Amendment to the Guidelines for Acquisition and Disposal of Assets
(Proposed by the Board)
Explanation:
1. To conform to the amendments to related laws and regulations, the Company hereby proposes to amend the Guidelines for Acquisition and Disposal of Assets. Please refer to Page 46-83 (Attachment 6) for details.
2. The proposal was approved by the Board of Directors on March 22, 2019.
3. Resolution

(3) Amendment to the Guidelines for Trading Derivatives
(Proposed by the Board)
Explanation:
1. To conform to the amendments to related laws and regulations, the Company
hereby proposes to amend the Guidelines for Trading of Derivatives. Please refer to Page 84-87 (Attachment 7) for details.
2. The proposal was approved by the Board of Directors on March 22, 2019.
3. Resolution

(4) Amendment to the Guidelines for Lending of Capital
(Proposed by the Board)
Explanation:
1. To conform to the amendments to related laws and regulations, the Company hereby proposes to amend the Guidelines for Lending of Capital. Please refer to Page 88-90 (Attachment 8) for details.
2. The proposal was approved by the Board of Directors on May 10, 2019.
3. Resolution

(5) Amendment to the Guidelines for Endorsements and Guarantees
(Proposed by the Board)
Explanation:
1. To conform to the amendments to related laws and regulations, the Company hereby proposes to amend the Guidelines for Endorsements and Guarantees. Please refer to Page 91-93 (Attachment 9) for details.
2. The proposal was approved by the Board of Directors on May 10, 2019.
3. Resolution

Directors’ Election

(1) Election of the 4th Board (Including Independent Directors)
Explanation:
1. Upon the expiration of the terms of all Green Seal Directors and based on Articles of Association, the Board resolved that 7 directors (including 3 independent directors) will be elected at this Annual General Meeting.
2. The term of office of the newly elected directors from the 4th Election shall be 3 years commencing on Jun 20, 2019 and expiring on June 19, 2022.
3. Independent Directors shall be elected from the candidate list. Candidates for independent directors are nominated based on the nomination system prescribed by law. Please refer to Page 94 for the candidate list and related information.
4. Please refer to Page 182-186 for Election Procedure.
5. Voting

Discussion Items II

(1) Proposal of Release the Prohibition on Directors from Participation in Competitive Business (Proposed by the Board)
Explanations:
1. Based on Taiwan Company Act Article 209, Board of Directors shall explain to the shareholders and obtain shareholder approval when conducting any behaviors related to the company business whether for himself/herself or on behalf of others.
2. Green Seal seeks shareholders’ approval on releasing the prohibition of directors from participation of competitive business for the newly elected board of directors (including independent directors) and their representatives.
3. The proposal was approved by the Board of Directors on March 22, 2019 and submitted to the Annual General Meeting for approval.
4. Resolution

Special Motion

Adjournment
3. Attachments
2018 Business Report

I. 2018 Business and Budget Execution

As the world’s number 1 BOPA film manufacturer, Green Seal continue to lead the industry in 2018. We are the first manufacturer to migrate to the world’s most advanced manufacturing equipment, LISIM lines. In 2015, we successfully entered mass production with the world’s first 2 LISIM lines. And 2 more LISIM lines, our Line 9 and Line 10 entered test run in 2018Q3 and 2018Q4 respectively. We have a total of 4 LISIM lines currently. Green Seal will continue to work to increase production and shipment, to maintain sustainable growth, to continue R&D efforts on customized products and thus increase their respective sales and to maintain our leading positioning the global market of BOPA films manufacturing.

Our management had shown good execution of 2018 budget, as use of working capital had been in accordance with the plan, purchase of company’s assets & equipment and all types of expenses had been incurred in accordance with internal control guideline.

II. 2018 Management Results

2018 Total Revenue was NT$3.895 billion, down 38.70% compared to NT$6.296 billion in 2017. Net Loss for 2018 was NT$444m, a 158.04% decrease compared to net profit of NT$765m in 2017. 2018 Earning per share was NT$-2.72 while NT$4.69 was record for 2017, a 158% decrease.

Overall economic slowdown coupled with intensified competition in China had impacted our management results adversely.
III. Financial Analysis

<table>
<thead>
<tr>
<th>Items</th>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>6,296,238</td>
<td>3,859,452</td>
<td>(38.70)</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td>1,394,442</td>
<td>(21,899)</td>
<td>(101.57)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>765,443</td>
<td>(444,286)</td>
<td>(158.04)</td>
</tr>
<tr>
<td>Gross Margin</td>
<td></td>
<td>765,443</td>
<td>(444,286)</td>
<td>(158.04)</td>
</tr>
<tr>
<td>Net Income</td>
<td></td>
<td>61,88</td>
<td>(31.65)</td>
<td>(151.15)</td>
</tr>
<tr>
<td>ROA (%)</td>
<td>6.36</td>
<td>4.21</td>
<td>159.31</td>
<td></td>
</tr>
<tr>
<td>ROE (%)</td>
<td>7.22</td>
<td>158.31</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of Registered Capital (%)</td>
<td>Operating Profit</td>
<td>60.22</td>
<td>(24.63)</td>
<td>(140.90)</td>
</tr>
<tr>
<td></td>
<td>Net Profit before Tax</td>
<td>61.88</td>
<td>(31.65)</td>
<td>(151.15)</td>
</tr>
<tr>
<td>Net Margin (%)</td>
<td>12.16</td>
<td>(11.51)</td>
<td>(194.65)</td>
<td></td>
</tr>
<tr>
<td>Earning Per Share</td>
<td>4.69</td>
<td>(2.72)</td>
<td>(158.00)</td>
<td></td>
</tr>
</tbody>
</table>

IV. R&D

Our R&D unit had completed improvements on non-sticky recipe, consolidated several substrates and additives, eliminated several recipes, launched non-powder smooth recipe and launched second generation double-sided corona non-sticky recipe. Improvements had also been done sPHA, where quality and market share in China has improved substantially. Second generation sPHA had completed lab test and had entered mass production. Our R&D team had completed recipe building for white nylon films, strong aluminum laminated films and electrolyte resistant films. In terms of intellectual property rights, we have obtained 4 patents in China; 3 were invention patents and 1 was utility model patent. We also submitted 19 patents on functional BOPA films in 2018. We believe that the technical achievements and innovations we had demonstrated in 2018 puts us in the world’s leading position in the BOPA film industry.
V.  Outlook

We are expecting the economy to improve gradually in 2019 and China’s demand for BOPA films shall continue to grow steadfastly and continue to be the world’s largest and fastest growing market. Although our Chinese peers continues to pump out new capacity and oversupply persists, our plans to do more on R&D, to deliver better quality products, to launch more new products and to make more efforts to elevate market share of hybrid products. In 2019, we shall enter mass production with Line 9 and Line when the market condition improved, an effort to maintain sustainable growth. We shall continue to adhere to rules and regulations strictly. Amid of the fierce competition, we shall continue to devote to R&D, to manufacture and to sales, maintaining our leading position in the industry. We believe that with the support of our shareholders, we should do better in 2019.

Last, may good health and happiness be with all our shareholders.
Audit Committee Review Report

The Board of Directors has prepared the Business Report, Financial Statements, and proposal for allocation of earning for 2018. The Financial Statements has been reviewed by Deloitte, a CPA firm retained by the Board of Directors and a standard unqualified audit report was issued by the auditor. The Business Report, Financial Statements, and proposal for allocation of earning for 2018 had been reviewed by the Audit Committee members of Green Seal Holding Limited and had been deem by the Committee to be of true presentation. According to Section 4, Paragraph 4 of the Securities and Exchange Act and Section 219 of the Company Laws, we hereby submit this report.

To Green Seal Holding Limited Shareholder Meeting

Independent Director: Hsieh Jen Pin

Independent Director: Lin, De Chen

Independent Director: Lin, Tao

March 22, 2019
INDEPENDENT AUDITORS’ REPORT

The Board of Directors and the Shareholders
Green Seal Holding Limited

Opinion

We have audited the accompanying consolidated financial statements of Green Seal Holding Limited (the “Company”) and its subsidiaries (collectively, the “Group”), which comprise the consolidated balance sheets as of December 31, 2018 and 2017, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the 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 of December 31, 2018 and 2017, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 for the year ended December 31, 2018. 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.
Key audit matters of the Group’s consolidated financial statements for the year ended December 31, 2018 are discussed as follows.

**Impairment Assessment of Property, Plant and Equipment (PPE)**

Refer to Note 4 (i) for accounting policy on impairment of tangible and intangible assets, and Note 5 for impairment of PPE as a source of estimation uncertainty. Also refer to Note 11 to the accompanying consolidated financial statements for the details of PPE.

The accompanying consolidated balance sheet as of December 31, 2018 presented PPE with carrying value of NT$9,249,072 thousand, which represents 83.1% of the Group’s total assets.

Management should assess PPE for any indication of impairment at the balance sheet date in accordance with IAS 36 - Impairment of Asset. If there is any indication of impairment, management should estimate the recoverable amount of these assets. These estimates have a high degree of uncertainty because they are subject to management’s judgment. Therefore, we identified impairment assessment of the Group’s PPE as a key audit matter.

Our key audit procedures performed in respect of the above key audit matter included the following:

1. We understood management’s process and basis for estimating the revenue growth rates and profit margin rates.
2. We assessed whether management’s estimated revenue growth rates and profit margin rates reasonably considered the recent business operating results, historical trends, industry overviews.
3. We assessed the professional qualifications, competency, objectivity and independence of the third party valuation specialists who assisted in the implementation of the PPE impairment test and confirmed that there were no matters affecting their objectivity or limiting the scope of their work and that the methods used in the assessment were in accordance with related regulations.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect 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, including the audit committee, are responsible for overseeing the Group’s financial reporting process.
Auditors’ 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 auditors’ 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 the 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 auditors’ 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 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 for the year ended December 31, 2018 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 Ming-Nan Chiang and Ching-Pin Shih.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 22, 2019

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with 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 applied in the Republic of China.

For the convenience of readers, the independent auditors’ report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ report and consolidated financial statements shall prevail.
GREEN SEAL HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2018</th>
<th>%</th>
<th>2017</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash (Notes 4 and 6)</td>
<td>$231,222</td>
<td>2.1</td>
<td>$1,009,497</td>
<td>8.2</td>
</tr>
<tr>
<td>Debt investments with no active market - current (Notes 4 and 7)</td>
<td>-</td>
<td>-</td>
<td>683,173</td>
<td>5.6</td>
</tr>
<tr>
<td>Trade receivables (Notes 4, 8 and 20)</td>
<td>$678,498</td>
<td>6.1</td>
<td>$1,212,315</td>
<td>9.9</td>
</tr>
<tr>
<td>Other receivables (Note 8)</td>
<td>1,780</td>
<td>-</td>
<td>2,674</td>
<td>-</td>
</tr>
<tr>
<td>Current tax assets (Notes 4 and 22)</td>
<td>-</td>
<td>-</td>
<td>69,35</td>
<td>0.6</td>
</tr>
<tr>
<td>Inventories (Notes 4 and 9)</td>
<td>$158,762</td>
<td>1.4</td>
<td>$176,008</td>
<td>1.4</td>
</tr>
<tr>
<td>Prepayments (Notes 13, 14 and 28)</td>
<td>$352,794</td>
<td>3.2</td>
<td>$330,505</td>
<td>2.7</td>
</tr>
<tr>
<td>Other financial assets - current (Note 28)</td>
<td>140,786</td>
<td>1.2</td>
<td>229,875</td>
<td>1.9</td>
</tr>
<tr>
<td>Total current assets</td>
<td>$1,563,842</td>
<td>14.0</td>
<td>$3,713,398</td>
<td>30.3</td>
</tr>
<tr>
<td>NON-CURRENT ASSETS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment (Notes 4, 5, 11 and 28)</td>
<td>$9,249,072</td>
<td>83.1</td>
<td>$7,996,514</td>
<td>65.4</td>
</tr>
<tr>
<td>Patents (Notes 4 and 12)</td>
<td>224</td>
<td>-</td>
<td>319</td>
<td>-</td>
</tr>
<tr>
<td>Deferred tax assets (Notes 4 and 22)</td>
<td>$70,371</td>
<td>0.6</td>
<td>3,229</td>
<td>-</td>
</tr>
<tr>
<td>Prepayments for equipment (Note 11)</td>
<td>$38,471</td>
<td>0.4</td>
<td>308,754</td>
<td>2.5</td>
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<tr>
<td>Refundable deposits</td>
<td>881</td>
<td>-</td>
<td>909</td>
<td>-</td>
</tr>
<tr>
<td>Long-term prepayments for lease (Notes 13 and 28)</td>
<td>$205,537</td>
<td>1.9</td>
<td>$214,359</td>
<td>1.8</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>$9,564,556</td>
<td>86.0</td>
<td>$8,524,084</td>
<td>69.7</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$11,128,398</td>
<td>100.0</td>
<td>$12,237,482</td>
<td>100.0</td>
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</table>

LIABILITIES AND EQUITY

<table>
<thead>
<tr>
<th>CURRENT LIABILITIES</th>
<th>2018</th>
<th>%</th>
<th>2017</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term bank loans (Notes 15 and 27)</td>
<td>$134,260</td>
<td>1.2</td>
<td>$91,090</td>
<td>0.7</td>
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<tr>
<td>Notes payable (Notes 16, 27 and 28)</td>
<td>483,315</td>
<td>4.3</td>
<td>925,846</td>
<td>7.6</td>
</tr>
<tr>
<td>Trade payables (Note 16)</td>
<td>5,922</td>
<td>0.1</td>
<td>9,540</td>
<td>0.1</td>
</tr>
<tr>
<td>Other payables (Note 17)</td>
<td>288,012</td>
<td>2.6</td>
<td>232,808</td>
<td>1.9</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>7,321</td>
<td>0.1</td>
<td>8,708</td>
<td>0.1</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>$918,833</td>
<td>8.3</td>
<td>$1,267,992</td>
<td>10.4</td>
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</table>

<table>
<thead>
<tr>
<th>NON-CURRENT LIABILITIES</th>
<th>2018</th>
<th>%</th>
<th>2017</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Deferred tax liabilities (Notes 4 and 22)</td>
<td>447</td>
<td>-</td>
<td>88,902</td>
<td>0.7</td>
</tr>
<tr>
<td>Guarantee deposits received</td>
<td>2,014</td>
<td>-</td>
<td>1,230</td>
<td>-</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>2,461</td>
<td>-</td>
<td>90,132</td>
<td>0.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL LIABILITIES</th>
<th>2018</th>
<th>%</th>
<th>2017</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$921,294</td>
<td>8.3</td>
<td>$1,358,124</td>
<td>11.1</td>
<td></td>
</tr>
</tbody>
</table>

EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

<table>
<thead>
<tr>
<th>Ordinary shares</th>
<th>2018</th>
<th>14.7</th>
<th>2017</th>
<th>13.4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital surplus</td>
<td>4,970,783</td>
<td>44.7</td>
<td>4,970,783</td>
<td>40.6</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>1,633,500</td>
<td>14.7</td>
<td>1,633,500</td>
<td>13.4</td>
</tr>
<tr>
<td>Legal reserve</td>
<td>673,169</td>
<td>6.1</td>
<td>596,625</td>
<td>4.9</td>
</tr>
<tr>
<td>Special reserve</td>
<td>704,050</td>
<td>6.3</td>
<td>502,004</td>
<td>4.1</td>
</tr>
<tr>
<td>Unappropriated earnings</td>
<td>3,108,615</td>
<td>27.9</td>
<td>3,880,496</td>
<td>31.7</td>
</tr>
<tr>
<td>Total retained earnings</td>
<td>4,485,834</td>
<td>40.3</td>
<td>4,979,125</td>
<td>40.7</td>
</tr>
<tr>
<td>Exchange differences on translating foreign operations</td>
<td>(883,013)</td>
<td>(8.0)</td>
<td>(704,050)</td>
<td>(5.8)</td>
</tr>
<tr>
<td>Total equity</td>
<td>10,207,104</td>
<td>91.7</td>
<td>10,879,358</td>
<td>88.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>2018</th>
<th>100.0</th>
<th>2017</th>
<th>100.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>$11,128,398</td>
<td>100.0</td>
<td>$12,237,482</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the consolidated financial statements.
## GREEN SEAL HOLDING LIMITED AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

**FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount (%)</td>
<td>Amount (%)</td>
</tr>
<tr>
<td>OPERATING REVENUE (Notes 4 and 20)</td>
<td>$ 3,859,452</td>
<td>$ 6,296,238</td>
</tr>
<tr>
<td>OPERATING COSTS (Notes 9, 21 and 27)</td>
<td>3,881,351</td>
<td>4,901,796</td>
</tr>
<tr>
<td>GROSS PROFIT (LOSS)</td>
<td>(21,899)</td>
<td>1,394,442</td>
</tr>
<tr>
<td>OPERATING EXPENSES (Note 21)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling and marketing expenses</td>
<td>117,092</td>
<td>145,840</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>193,366</td>
<td>204,762</td>
</tr>
<tr>
<td>Research and development expenses</td>
<td>70,014</td>
<td>60,224</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>380,472</td>
<td>410,826</td>
</tr>
<tr>
<td>PROFIT (LOSS) FROM OPERATIONS</td>
<td>(402,371)</td>
<td>983,616</td>
</tr>
<tr>
<td>NON-OPERATING INCOME AND EXPENSES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Note 21)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance costs</td>
<td>(2,415)</td>
<td>(4,769)</td>
</tr>
<tr>
<td>Other income</td>
<td>11,233</td>
<td>27,752</td>
</tr>
<tr>
<td>Other gains and losses</td>
<td>(123,381)</td>
<td>4,207</td>
</tr>
<tr>
<td>Total non-operating income and expenses</td>
<td>(114,563)</td>
<td>27,190</td>
</tr>
<tr>
<td>PROFIT (LOSS) BEFORE INCOME TAX</td>
<td>(516,934)</td>
<td>1,010,806</td>
</tr>
<tr>
<td>INCOME TAX BENEFIT (EXPENSE) (Note 21)</td>
<td>72,648</td>
<td>(245,363)</td>
</tr>
<tr>
<td>NET PROFIT (LOSS) FOR THE YEAR</td>
<td>(444,286)</td>
<td>765,443</td>
</tr>
<tr>
<td>OTHER COMPREHENSIVE LOSS (Note 19)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that will not be reclassified subsequently to profit or loss:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchange differences recognized on translation to the presentation currency</td>
<td>(178,963)</td>
<td>(202,046)</td>
</tr>
<tr>
<td>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR</td>
<td>$ (623,249)</td>
<td>$ 563,397</td>
</tr>
<tr>
<td>NET PROFIT (LOSS) ATTRIBUTABLE TO:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the Company</td>
<td>$ (444,286)</td>
<td>$ 765,443</td>
</tr>
</tbody>
</table>

(Continued)
GREEN SEAL HOLDING LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>EARNINGS (LOSS) PER SHARE (Note 23)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>$ (2.72)</td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)
GREEN SEAL HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)

<table>
<thead>
<tr>
<th>Shares (In Thousands)</th>
<th>Capital Surplus (Note 19)</th>
<th>Retained Earnings (Note 19)</th>
<th>Unappropriated Earnings</th>
<th>Exchange Differences on Translating Foreign Operations (Note 19)</th>
<th>Total Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary Shares</td>
<td>$1,485,000</td>
<td>$4,970,783</td>
<td>$414,104</td>
<td>$3,965,898</td>
<td>$10,333,781</td>
</tr>
<tr>
<td>BALANCE AT JANUARY 1, 2017</td>
<td>148,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Appropriation of 2016 earnings

Legal reserve
Special reserve
Cash dividends distributed by the Company - NTS0.12 per share
Share dividends distributed by the Company - NTS1.00 per share

Net profit for the year ended December 31, 2017

Other comprehensive loss for the year ended December 31, 2017, net of income tax

Total comprehensive income (loss) for the year ended December 31, 2017

BALANCE AT DECEMBER 31, 2017

Appropriation of 2017 earnings

Legal reserve
Special reserve
Cash dividends distributed by the Company - NTS0.30 per share

Net loss for the year ended December 31, 2018

Other comprehensive loss for the year ended December 31, 2018, net of income tax

Total comprehensive loss for the year ended December 31, 2018

BALANCE AT DECEMBER 31, 2018

163,350 $ 1,633,500 $ 4,970,783 $ 673,169 $ 704,050 $ 3,108,615 $ (883,013) $ 10,207,104

The accompanying notes are an integral part of the consolidated financial statements.
GREEN SEAL HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH FLOWS FROM OPERATING ACTIVITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income (loss) before income tax</td>
<td>$(516,934)</td>
<td>$1,010,806</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation expenses</td>
<td>594,154</td>
<td>538,209</td>
</tr>
<tr>
<td>Amortization expenses</td>
<td>91</td>
<td>90</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>2,415</td>
<td>4,769</td>
</tr>
<tr>
<td>Interest income</td>
<td>(6,813)</td>
<td>(22,382)</td>
</tr>
<tr>
<td>Loss on disposal of property, plant and equipment</td>
<td>20,027</td>
<td>1,117</td>
</tr>
<tr>
<td>Impairment losses recognized on property, plant and equipment</td>
<td>104,877</td>
<td>-</td>
</tr>
<tr>
<td>Inventory write-downs</td>
<td>8,807</td>
<td>2,781</td>
</tr>
<tr>
<td>Amortization of long-term prepayments for lease</td>
<td>5,192</td>
<td>5,130</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>522,431</td>
<td>373,621</td>
</tr>
<tr>
<td>Other receivables</td>
<td>(263)</td>
<td>136</td>
</tr>
<tr>
<td>Inventories</td>
<td>5,648</td>
<td>35,034</td>
</tr>
<tr>
<td>Prepayments</td>
<td>(28,564)</td>
<td>(165,118)</td>
</tr>
<tr>
<td>Notes payable</td>
<td>(434,494)</td>
<td>(181,618)</td>
</tr>
<tr>
<td>Trade payables</td>
<td>(3,513)</td>
<td>(1,268)</td>
</tr>
<tr>
<td>Other payables</td>
<td>2,597</td>
<td>(34,159)</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>(1,259)</td>
<td>(4,136)</td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>274,399</td>
<td>1,563,012</td>
</tr>
<tr>
<td>Interest received</td>
<td>7,940</td>
<td>23,248</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(2,365)</td>
<td>(4,769)</td>
</tr>
<tr>
<td>Income tax received</td>
<td>70,635</td>
<td>-</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(88,138)</td>
<td>(323,002)</td>
</tr>
<tr>
<td>Net cash generated from operating activities</td>
<td>262,471</td>
<td>1,258,489</td>
</tr>
</tbody>
</table>

CASH FLOWS FROM INVESTING ACTIVITIES

| Purchase of debt investments with no active market | - | (1,791,917) |
| Proceeds from sale of debt investments with no active market | 695,829 | 2,242,448 |
| Payments for disposal of property, plant and equipment | (660) | -       |
| Payments for property, plant and equipment | (1,753,785) | (1,239,192) |
| Decrease (increase) in refundable deposits | 15 | (22) |
| Decrease in other financial assets - current | 86,700 | 171,482 |
| Increase in prepayments for equipment | (54,916) | (260,640) |
| Net cash used in investing activities | (1,026,817) | (877,841) |

CASH FLOWS FROM FINANCING ACTIVITIES

| Proceeds from short-term bank loans | 136,796 | 89,290 |
| Repayments of short-term bank loans | (92,777) | (89,290) |
| Increase in guarantee deposits received | 928 | 2,723 |

(Continued)
GREEN SEAL HOLDING LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017
(In Thousands of New Taiwan Dollars)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refund of guarantee deposits received</td>
<td>$ -</td>
<td>$ (1,526)</td>
</tr>
<tr>
<td>Dividends paid to owners of the Company</td>
<td>(49,005)</td>
<td>(17,820)</td>
</tr>
<tr>
<td>Net cash used in financing activities</td>
<td>(4,058)</td>
<td>(16,623)</td>
</tr>
<tr>
<td>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</td>
<td>(9,871)</td>
<td>(17,328)</td>
</tr>
<tr>
<td>NET INCREASE (DECREASE) IN CASH</td>
<td>(778,275)</td>
<td>346,697</td>
</tr>
<tr>
<td>CASH AT THE BEGINNING OF THE YEAR</td>
<td>1,009,497</td>
<td>662,800</td>
</tr>
<tr>
<td>CASH AT THE END OF THE YEAR</td>
<td>$ 231,222</td>
<td>$ 1,009,497</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)
## Green Seal Holding Limited
### 2018 Earning Distribution Table

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained Earnings -Beginning</td>
<td>3,552,901,133</td>
</tr>
<tr>
<td>Add : 2018 Net Loss</td>
<td>(444,286,334)</td>
</tr>
<tr>
<td>Less : 10% Legal Reserve</td>
<td>-</td>
</tr>
<tr>
<td>Less : Special Reserve</td>
<td>(178,964,166)</td>
</tr>
<tr>
<td>Distributable Earnings</td>
<td>2,929,650,633</td>
</tr>
<tr>
<td>Distributable Items :</td>
<td></td>
</tr>
<tr>
<td>Cash Dividend ( NT$0.00 per share )</td>
<td>-</td>
</tr>
<tr>
<td>Unappropriated Retained Earnings :</td>
<td>2,929,650,633</td>
</tr>
</tbody>
</table>

Unit : NTD Dollar
Attachment 5

Comparison Table for Articles of Association Before and After Revision

<table>
<thead>
<tr>
<th>After Revision</th>
<th>Before Revision</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>COVER, MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION</td>
<td></td>
<td>Update The Companies Law of the Cayman Islands Company Limited by Shares, Amended and Restated Memorandum and Article of Association and update the date on which these amendments will be adopted by a special resolution.</td>
</tr>
<tr>
<td>THE COMPANIES LAW (REVISION) OF THE CAYMAN ISLANDS COMPANY LIMITED BY SHARES</td>
<td>THE COMPANIES LAW (2016 REVISION) OF THE CAYMAN ISLANDS COMPANY LIMITED BY SHARES</td>
<td></td>
</tr>
<tr>
<td>AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION</td>
<td>SEVENTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION</td>
<td></td>
</tr>
<tr>
<td>(as adopted by a Special Resolution dated on June 20, 2019)</td>
<td>(as adopted by a Special Resolution dated on June 13, 2018)</td>
<td></td>
</tr>
<tr>
<td>MEMORANDUM OF ASSOCIATION</td>
<td></td>
<td>Update explanations for the Companies Law of the Cayman Islands Company Limited by Shares.</td>
</tr>
<tr>
<td>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 the Companies Law (Revision) or as the same may be revised from time to time,</td>
<td>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 the Companies Law (2016 Revision) or as the same may be revised from time</td>
<td></td>
</tr>
</tbody>
</table>
or any other law of the Cayman Islands.

to time, or any other law of the Cayman Islands.

5. The authorized capital of the Company is: NT$2,000,000,000 divided into 200,000,000 ordinary shares of par value NT$10.00 each provided always that subject to the provisions of the Companies Law (Revision) as amended and the Articles of Association, the Company shall have power to redeem or purchase any or all of such shares and to issue all or any part of its capital with priority or subject to any conditions or restrictions whatsoever and 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.

5. The authorized capital of the Company is: NT$2,000,000,000,000 divided into 200,000,000 ordinary shares of par value NT$10.00 each provided always that subject to the provisions of the Companies Law (2016 Revision) as amended and the Articles of Association, the Company shall have power to redeem or purchase any or all of such shares and to issue all or any part of its capital with priority or subject to any conditions or restrictions whatsoever and 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.

Update explanations for the Companies Law of the Cayman Islands Company Limited by Shares.

**ARTICLES OF ASSOCIATION**

<p>| 1.1 | 1.1 | Update explanations for the Companies |
| &quot;Statute&quot; means the | &quot;Statute&quot; means the | Law of the Cayman Islands Company |
| | | Limited by Shares. |</p>
<table>
<thead>
<tr>
<th><strong>Companies Law (Revision) of the Cayman Islands, as amended, and every statutory modification or re-enactment thereof for the time being in force.</strong></th>
<th><strong>Companies Law (2016 Revision) of the Cayman Islands, as amended, and every statutory modification or re-enactment thereof for the time being in force.</strong></th>
<th><strong>Law of the Cayman Islands Company Limited by Shares.</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.1</strong> After incorporation, the Company may operate its business at the time the board of Directors deems fit. The Company shall operate its business in compliance with the Applicable Public Company Rules and business ethics, and may perform actions that promote the public interest to fulfil the social responsibility of the Company in accordance with the Applicable Public Company Rules and business ethics.</td>
<td>(New Addition)</td>
<td>Revision made in accordance of Taiwan Company Act Section 1.2 and “Check List for Foreign Issuer Protecting Shareholder Rights” enacted by Taiwan Stock Exchange on November 30, 2018</td>
</tr>
<tr>
<td><strong>16.9</strong> Member(s) holding more than 50% of the total issued and outstanding Shares for at least three consecutive months may</td>
<td>(New Addition)</td>
<td>Revision made in accordance to Taiwan Company Act 173.1 and Check List for Shareholder Rights Protections.</td>
</tr>
</tbody>
</table>
themselves convene an extraordinary general meeting. The calculation of the holding period of Shares and the number of Shares held by a Member shall be determined based on the starting date of the book closed period of the Register of Members.

<table>
<thead>
<tr>
<th>16.10</th>
<th>Pursuant to the Applicable Public Company Rules, the Independent Directors of the audit committee may convene a general meeting in the event that the board of Directors fails or cannot convene a general meeting, or for the benefit of the Company when necessary.</th>
</tr>
</thead>
</table>

| ( New Addition ) | Revision made in accordance to Taiwan Company Act Section 220 and Check List for Shareholder Rights Protections. |

<table>
<thead>
<tr>
<th>17.5</th>
<th>Matters pertaining to (a) election or discharge of Directors, (b) alteration of the Articles, (c) <strong>reduction of capital</strong>, (d) <strong>application to cease public offering</strong>, and (e) (i) dissolution, Merger(other than a Short-form Merger), Share Exchange(other than</th>
</tr>
</thead>
</table>

| 17.5 | Revision made in accordance to Taiwan Company Act Section 172.5 and Check List for Shareholder Rights Protections. |
| (a) Form Merger, Share Exchange (other than a Short-form Share-swap) or Spin-off (other than a Short-form Spin-off) | (i) entering into, amending, or terminating any contract for lease of the Company’s business in whole, or the delegation of management of the Company’s business to others, or the regular joint operation of the Company with others, (ii) transfer of the whole or any material part of the business or assets of the Company, (iv) acceptance of the transfer of the whole business or assets of another person, which has a material effect on the business operation of the Company, (v) acceptance of the transfer of part or any material part of the business or assets of another person, which has a material effect on the business operation of the Company, (vi) ratification of an action by Director(s) who engage(s) in business for him/herself or on behalf of another person that is within the scope of the Company’s business, (g) distribution of the whole or a part of the surplus profit of the Company in the form of new Shares, capitalization |
Company in the form of new Shares, (h) capitalization of **the whole** or a part of statutory reserve and capital reserve **derived from issuance of new shares at a premium or from gifts received by the Company**, and (i) the Private Placement of any equity-type securities issued by the Company, shall be indicated in the notice of general meeting, with a summary of the material content to be discussed, and shall not be brought up as an ad hoc motion, and the material content may be placed on the website specified by the R.O.C. competent authorities of securities or by the Company, and the website address link shall be indicated in the notice.

<table>
<thead>
<tr>
<th>17.6</th>
<th>The board of Directors shall keep the Articles, minutes of general meetings, financial statements, the Register of</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.6</td>
<td>The board of Directors shall keep the Articles, minutes of general meetings, financial statements, the Register of</td>
</tr>
<tr>
<td></td>
<td>Revision made in accordance to Taiwan Company Act Section 210.2 and Section 210.1.1 and Check List for Shareholder Rights Protections.</td>
</tr>
</tbody>
</table>
Members, and the counterfoil of any corporate bonds issued by the Company at the office of the Company’s registrar (if applicable) and the Company’s securities agent located in Taiwan. The Members may request, from time to time, by submitting document(s) evidencing his/her interests involved and indicating the designated scope of the inspection, access to inspect, review or make handwritten or mechanical copies of the foregoing documents, and the Company shall request its securities agent to provide the foregoing documents. If a general meeting is called by the board of Directors or any authorized person(s) other than the board of Directors, the person(s) who has called the meeting may request the Company or the securities agent to provide the Register of
<table>
<thead>
<tr>
<th>Members.</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.9 Subject to the Applicable Public Company Rules, Member(s) holding 1% or more of the total number of issued, allotted, outstanding Shares immediately prior to the relevant book closed period may propose to the Company proposal(s) for discussion at an annual general meeting in writing or by means of electronic transmission to the extent and in accordance with the rules and procedures of general meetings proposed by the Directors and approved by an Ordinary Resolution. Other than any of the following situation occurs, proposals proposed by Member(s) shall be included in the agenda where (a) the proposing Member(s) holds less than 1% of the total number of outstanding Shares, (b) where the matter of such proposal may not be resolved by a general meeting, (c) the proposing Member has proposed more than one proposal,</td>
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<tr>
<td>18.9 Subject to the Applicable Public Company Rules, Member(s) holding 1% or more of the total number of issued, allotted, outstanding Shares immediately prior to the relevant book closed period may propose to the Company a proposal for discussion at an annual general meeting in writing to the extent and in accordance with the rules and procedures of general meetings proposed by the Directors and approved by an Ordinary Resolution. Proposals shall not be included in the agenda where (a) the proposing Member(s) holds less than 1% of the total number of outstanding Shares, (b) where the matter of such proposal may not be resolved by a general meeting, (c) the proposing Member has proposed more than one proposal,</td>
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<tr>
<td>Revision made in accordance to Taiwan Company Act Section 172.1 and Check List for Shareholder Rights Protections.</td>
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</table>
resolved by a general meeting, (c) the proposing Member has proposed more than one proposal, (d) such proposal contains more than 300 words, or (e) such proposal is submitted on a day beyond the deadline announced by the Company for accepting the Member’s proposals. If the proposal(s) proposed by Member(s) is intended to improve the public interest or fulfil its social responsibilities of the Company, the board of Director may include such proposal(s) in the agenda in accordance with the Applicable Public Company Rules.

<table>
<thead>
<tr>
<th>25.6</th>
<th>Any Member(s) holding 1% or more of the Company’s issued Shares for at least six consecutive months may in writing request the Independent Directors of the Audit Committee to bring action</th>
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</thead>
<tbody>
<tr>
<td>25.6</td>
<td>Any Member(s) holding 3% or more of the Company’s issued Shares for at least one year may in writing request the Independent Directors of the Audit Committee to bring action against the</td>
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<td></td>
<td>Revision made in accordance to Taiwan Company Act Section 214.1 and Check List for Shareholder Rights Protections.</td>
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</table>
against the Directors on behalf of the Company in a court of competent jurisdiction as the court of first instance. If the Independent Directors fail to bring such action within thirty days after the request by the Member, such Member may bring the action in a court of competent jurisdiction as the court of first instance in the name of the Company.

28.1 Notwithstanding anything in the Articles to the contrary, the Company may from time to time remove all Director from office before the expiration of their term of office and may elect new Directors in accordance with Article 27.1. and unless a resolution of a shareholders’ meeting provides otherwise, all the Directors shall be deemed to have been removed upon such election of new Directors on behalf of the Company in a court of competent jurisdiction as the court of first instance. If the Independent Directors fail to bring such action within thirty days after the request by the Member, such Member may bring the action in a court of competent jurisdiction as the court of first instance in the name of the Company.

28.1 Notwithstanding anything in the Articles to the contrary, the Company may from time to time by Ordinary Resolution remove all Director from office before the expiration of their term of office and may elect new Directors in accordance with Article 27.1. and unless the resolution approving such removal and election provides otherwise, all the Directors shall be deemed to have been removed.

Revision made in accordance to Taiwan Company Act Section 100.1 and Check List for Shareholder Rights Protections.
<table>
<thead>
<tr>
<th>Directors prior to the expiration of such Director's applicable term of office.</th>
<th>upon <strong>the passing of such resolution to</strong> elect new Directors prior to the expiration of such Director's applicable term of office.</th>
<th><strong>Revision made in accordance to</strong> Taiwan Company Act Section 192.6 and Check List for Shareholder Rights Protections.</th>
</tr>
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<tbody>
<tr>
<td>28.2 In the event of any of the following events having occurred in relation to any Director, such Director shall be vacated automatically: (a) he gives notice in writing to the Company to resign the office of Director; (b) he dies, becomes bankrupt or makes any arrangement or composition with his creditors generally; (c) an order is made by any competent court or official on the grounds that he is or will be suffering from mental disorder or is otherwise incapable of managing his affairs, or his/her legal capacity is restricted according to the applicable laws;</td>
<td>28.2 In the event of any of the following events having occurred in relation to any Director, such Director shall be vacated automatically: (a) he gives notice in writing to the Company to resign the office of Director; (b) he dies, becomes bankrupt or makes any arrangement or composition with his creditors generally; (c) an order is made by any competent court or official on the grounds that he is or will be suffering from mental disorder or is otherwise incapable of managing his affairs, or his/her legal capacity is restricted according to the applicable laws;</td>
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</table>
(d) he commits an offence as specified in the Statute for Prevention of Organizational Crimes of the R.O.C. and is subsequently adjudicated guilty by a final judgment, and the sentence has not been executed, the execution of the sentence has not been completed, or the time elapsed since he has served the full term of the sentence is less than five years;

(e) he commits any criminal offence of fraud, breach of trust or misappropriation and is subsequently punished with imprisonment for a term of more than one year, and the time elapsed since he has served the full term of such sentence is less than two years;

(f) he is adjudicated guilty by a final judgment for misappropriating Company or public funds during the time of his service, and the time elapsed after he has served the full term of such sentence is less than two years;

(g) he is dishonoured for use of credit instruments, and the term
he has served the full term of such sentence, the expiration of probation period, or the pardon of such punishment is less than two years;

(f) he commits a offence as specified in the Anti-Corruption Act of the R.O.C. and is subsequently adjudicated guilty by a final judgment, and the sentence has not been executed, the execution of the sentence has not been completed, or the time elapsed after he has served the full term of such sentence, the expiration of probation period, or the pardon of such punishment is less than two years;

(g) he is dishonoured for use of credit instruments, and the term of such sanction has not expired yet;

(h) he is declared bankrupt or is subject to liquidation procedure adjudicated by a court, of such sanction has not expired yet;

(i) during the term of office as a Director, he/she/it has transferred more than one half of the company’s shares being held by him/her/it at the time he/she is elected; or

(j) subject to the provisions of the Statue, and the Articles or the Applicable Public Company Rules, in the event that he has, in the course of performing his duties, committed any act resulting in material damage to the Company or in serious violation of applicable laws and/or regulations or the Memorandum and the Articles, but has not been removed by the Company pursuant to a Supermajority Resolution vote, then any Member(s)
and his rights have not been resumed yet;

(i) he has limited legal capacity or is legally incompetent;

(j) he is subject to the commencement of assistance by a court and a court order has not yet been revoked;

(k) the Members resolve by a Supermajority Resolution that he should be removed as a Director;

(l) during the term of office as a Director (excluding Independent Directors), he/she/it has transferred more than one half of the company’s shares being held by him/her/it at the time he/she is elected; or

(m) subject to the provisions of the Statue, and the Articles or the Applicable Public Company Rules, in the event that he has, in the course of performing his duties, committed any act resulting in material holding 3% or more of the total number of issued, outstanding Shares shall have the right, within thirty days after that general meeting, to petition any competent court for the removal of such Director, at the Company’s expense and such Director shall be removed upon the final judgement by such court.

For clarification, if a relevant court has competent jurisdiction to adjudicate all of the foregoing matters in a single or a series of proceedings, then, for the purpose of this paragraph (i), final judgement shall be given by such competent court.

In the event that the foregoing events described in any of clauses (b), (c), (d), (e), (f) and (g) has occurred in relation to a Director elect, such Director elect shall be disqualified from being elected as a Director.

If any director after having
| Damage to the Company or in serious violation of applicable laws and/or regulations or the Memorandum and the Articles, but has not been removed by the Company pursuant to a Supermajority Resolution vote, then any Member(s) holding 3% or more of the total number of issued, outstanding Shares shall have the right, within thirty days after that general meeting, to petition any competent court for the removal of such Director, at the Company’s expense and such Director shall be removed upon the final judgement by such court. For clarification, if a relevant court has competent jurisdiction to adjudicate all of the foregoing matters in a single or a series of proceedings, then, for the purpose of this paragraph (i), final judgement shall be given by such competent court. | Been elected and before his/her/its inauguration of the office of Director, has transferred more than one half of the total number of shares of the company he/she/it holds at the time of his/her/its election as such; or had transferred more than one half of the total number of shares he/she/it held within the share transfer prohibition period fixed prior to the convention of a shareholders’ meeting, then his/her/its election as a Director shall become invalid. |
In the event that the foregoing events described in any of clauses (b), (c), (d), (e), (f), (g), (h), (i) or (j) has occurred in relation to a Director elect, such Director elect shall be disqualified from being elected as a Director.

If any director (excluding Independent Directors) after having been elected and before his/her/its inauguration of the office of Director, has transferred more than one half of the total number of shares of the company he/she/it holds at the time of his/her/its election as such; or had transferred more than one half of the total number of shares he/she/it held within the share transfer prohibition period fixed prior to the convention of a shareholders' meeting, then his/her/its election as a Director shall become invalid.
A Director who has a personal interest in the matter under discussion at a meeting of the Directors, shall disclose to the meeting the material information of such interest; provided that in the event a Director’s spouse or any relatives within the second degree of kinship with a Director, or company(s) which has controlling and subordinating relationship with a Director, has a personal interest in the matter under discussion at a meeting, the said Director shall be deemed to have a personal interest in such matter. A Director who has a conflict of interest which may 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. In the event of a merger and acquisition by the Company, the Director who has a personal interest in the transaction of such merger and acquisition shall explain to the board of Directors meeting and the shareholders meeting the material contents of

Revision made in accordance to Taiwan Company Act Section 206.3 and Check List for Shareholder Rights Protections.
shall not be counted in the number of votes of Directors present at the board meeting. In the event of a merger and acquisition by the Company, the Director who has a personal interest in the transaction of such merger and acquisition shall explain to the board of Directors meeting and the shareholders meeting the material contents of such personal interest and the reason(s) of approval or objection to the resolution of such merger or acquisition.

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<tr>
<th>34.10</th>
<th>Subject to the Statue, the Company may distribute to the Members, in the form of cash, all or a portion of its dividends and bonuses, Legal Reserve and/or capital reserve derived from issuance of new shares at a premium or from gifts received by the Company by a majority of the shareholders at a shareholders meeting.</th>
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<tbody>
<tr>
<td>(New Addition)</td>
<td>Revision made in accordance to Taiwan Company Act Section 240.5 and 241.2 and Check List for Shareholder Rights Protections.</td>
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Directors at a meeting attended by two-thirds or more of the total number of the Directors, and shall subsequently report such distribution to a shareholders’ meeting.
Comparison Table for Acquisition and Disposal of Assets Guideline Before and After Revision

<table>
<thead>
<tr>
<th>Before Revision</th>
<th>After Revision</th>
<th>Explanations</th>
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<td><strong>1. Purpose</strong></td>
<td><strong>1. Purpose</strong></td>
<td><strong>Added that</strong></td>
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<td>To protect asset and to implement public disclosure of information · Guidelines for Acquisition and Disposal of Assets ( “ the Guideline” ) are construed based on relevant laws and regulations to ensure that Green Seal Holding Limited ( “ the Company” ) and its subsidiaries have rules to follow when making asset acquisitions and disposals.</td>
<td>To protect asset and to implement public disclosure of information · Guidelines for Acquisition and Disposal of Assets ( “ the Guideline” ) are construed based on relevant laws and regulations to ensure that Green Seal Holding Limited ( “ the Company” ) and its subsidiaries have rules to follow when making asset acquisitions and disposals. <strong>Any unmentioned matters in the guideline or any subsequent statue change, the guidelines shall adhere to the latest laws and regulations.</strong></td>
<td>the Guidelines shall adhere to the latest laws and regulations.</td>
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<tr>
<th><strong>2. Scope</strong></th>
<th><strong>2. Scope</strong></th>
<th>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 3.</th>
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<tr>
<td>Any acquisition and disposal of assets shall be conducted based on the Guidelines.</td>
<td>Any acquisition and disposal of assets shall be conducted based on the Guidelines.</td>
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<tr>
<td>2.1 Investments in stocks, government bonds, corporate bonds, financial notes, securities representing</td>
<td>2.1 Investments in stocks, government bonds, corporate bonds, financial notes, securities representing interest in a fund, depository receipts, call (put) options, beneficiary securities and asset-backed securities.</td>
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<td>Before Revision</td>
<td>After Revision</td>
<td>Explanations</td>
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<td>interest in a fund, depository receipts, call (put) options, beneficiary</td>
<td>2.2 Real properties (including land, building and structures, investment property, land use rights, and construction industry inventory).</td>
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<td>securities and asset-backed securities.</td>
<td>2.3 Membership</td>
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<tr>
<td>2.2 Real properties and equipment.</td>
<td>2.4 Patents, copyrights, trademarks, franchise rights and other intangible assets.</td>
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<td>2.3 Membership</td>
<td>2.5 [Asset use rights]</td>
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<tr>
<td>2.4 Patents, copyrights, trademarks, franchise rights and other intangible</td>
<td>2.6 Bonds issued by financial institutions (including AR, Bills Purchased &amp; Discounted, Loans and Collections).</td>
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<td>assets.</td>
<td>2.7 Derivatives.</td>
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<tr>
<td>2.5 Bonds issued by financial institutions (including AR, Bills Purchased &amp;</td>
<td>2.8 Assets acquired or disposed based on legal merger, spit, acquisition or share transfer.</td>
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<td>Discounted, Loans and Collections).</td>
<td>2.9 Other important assets</td>
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<td>2.6 Derivatives.</td>
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<td>2.7 Assets acquired or disposed based on legal merger, spit, acquisition or</td>
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<td>share transfer.</td>
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<td>2.8 Other major assets</td>
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<tr>
<td>4.1 Derivatives: Refers to forward contract, option contract,</td>
<td>4.1 Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts,</td>
<td>Revised base on Regulations</td>
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<td>futures contract, leverage margin contract, exchange contract and combination of any of the above mentioned contracts whose values are derived from assets, interest rates, exchange rates indexes or other interest bearing products. The term &quot;forward contracts&quot; does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</td>
<td>or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term &quot;forward contracts&quot; does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</td>
<td>Governing the Acquisition and Disposal of Assets by Public Companies Article 4.</td>
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<tr>
<td>4.2 Assets acquired or disposed through mergers, splits, acquisitions, or transfer of shares in accordance with law: Refers</td>
<td>4.2 Assets acquired or disposed through mergers, splits, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed</td>
<td>Revised base on Regulations Governing the</td>
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<td>to assets acquired or disposed through mergers, splits, or acquisition or transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter &quot;transfer of shares&quot;).</td>
<td>through mergers, splits, or acquisition conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter &quot;transfer of shares&quot;) under Article 156-3 of the Company Act.</td>
<td>Acquisition and Disposal of Assets by Public Companies Article 4.</td>
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<tr>
<td>New</td>
<td>4.6 Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located. 4.7 Securities exchange:</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 4.</td>
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<td>&quot;Domestic securities exchange&quot; refers to the Taiwan Stock Exchange Corporation; &quot;foreign securities exchange&quot; refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.</td>
<td>&quot;Domestic securities exchange&quot; refers to the Taiwan Stock Exchange Corporation; &quot;foreign securities exchange&quot; refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies</td>
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<td>4.8 Over-the-counter venue (&quot;OTC venue&quot;, &quot;OTC&quot;): &quot;Domestic OTC venue&quot; refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; &quot;foreign OTC venue&quot; refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.</td>
<td>4.8 Over-the-counter venue (&quot;OTC venue&quot;, &quot;OTC&quot;): &quot;Domestic OTC venue&quot; refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; &quot;foreign OTC venue&quot; refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.</td>
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<td>5.1 Audited financial report must be obtained by Finance Department prior to transaction date as a reference to valuation of the securities to be acquired or disposed whether the underlying securities is deemed long or short term securities investments.</td>
<td>5.1 Audited financial report must be obtained by Finance Department prior to transaction date as a reference to valuation of the securities to be acquired or disposed whether the underlying securities is deemed long or short term securities investments. Related cost and benefit analysis and risk analysis need to be</td>
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<td>Related cost and benefit analysis and risk analysis need to be conducted.</td>
<td>conducted. When acquiring fixed assets, <strong>equipment or asset use rights</strong> or other assets, capital expenditure plan, purpose of acquisition or disposal, expected benefits must be conducted by related departments. If the transaction is a related party transaction, it must be done based on Section 5.3 of the Guideline.</td>
<td>Article 7.</td>
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<td>When acquiring fixed assets or other assets, capital expenditure plan, purpose of acquisition or disposal, expected benefits must be conducted by related departments. If the transaction is a related party transaction, it must be done based on Section 5.3 of the Guideline.</td>
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<tr>
<td>5.3 Acquisition and Disposal of Real Estate Assets and Equipment</td>
<td>5.3 Acquisition and Disposal of Real Estate Assets, <strong>Equipment or their respective Asset Use Rights</strong>: Valuation of Real Estate asset must be determined based on the present value announced by government agency, appraisal value, nearby Real Estate asset actual transaction value and etc. And final price and terms of transaction shall be determined by price comparison, price negotiation or tender offer method and shall be approved first by General Manager and then by the board of directors.</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 5, 9, 10, 11.</td>
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Before Revision | After Revision | Explanations
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Before R evision | After Revision | Explanations
negotiation or tender offer method and shall be approved first by General Manager and then by the board of directors. i. Acquisition and Disposal of Equipment: (1) Acquisition and Disposal of Operational Equipment: A. When the transaction amount reaches 20 percent of the company’s paid-in capital or NT$300 million or more, the transaction shall be submitted for approval in advance by the board of directors. B. When the transaction does not exceed the abovementioned amount, approvals must be obtained in sequential order from related department heads stated on the company’s organization chart before executing the transaction. (2) Acquisition and Disposal of Non-operational Equipment: approval from the board of directors must | ii. Acquisition and Disposal of Equipment or their respective Asset Use Rights: (1) Acquisition and Disposal of Operational Equipment: A. When the transaction amount reaches 20 percent of the company’s paid-in capital or NT$300 million or more, the transaction shall be submitted for approval in advance by the board of directors. B. When the transaction does not exceed the abovementioned amount, approvals must be obtained in sequential order from related department heads stated on the company’s organization chart before executing the transaction. (2) Acquisition and Disposal of Non-operational Equipment: approval from the board of directors must be obtained before execution. iii. When acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the company’s paid-in capital or NT$300 million or more, the |
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<td>be obtained before execution.</td>
<td>company, unless transacting with a <strong>domestic</strong> government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment <strong>or right-of-use assets</strong> thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</td>
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<tr>
<td>iii. When acquiring or disposing of real property or equipment, where the transaction amount reaches 20 percent of the company’s paid-in capital or NT$300 million or more, the company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</td>
<td>(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</td>
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<td>(2) Where the transaction amount is NT$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</td>
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<td>(3) Where any one of the</td>
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<th>Before Revision</th>
<th>After Revision</th>
<th>Explanations</th>
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<td>(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; in the future when there is subsequent change to the transaction same procedures need to be applied.</td>
<td>following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</td>
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<tr>
<td>(2) Where the transaction amount is NT$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</td>
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<td>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant</td>
<td>A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</td>
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<td>B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</td>
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<td>(4) No more than 3 months may</td>
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<td>shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</td>
<td>elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</td>
<td>iv. When acquiring or disposing memberships, transaction price shall take into consideration of future appreciating value and beneficiary effects. Single transaction or accumulated transactions not exceeding NT$10 million, General Manager’s approval is required. Single transaction or accumulated transactions exceeding NT$10 million (inclusive), board of directors’ approval is required. Where the transaction amount reaches 20 percent of the company’s paid-in capital or NT$300 million or more, the company, unless transacting with a domestic government agency, shall obtain an appraisal report prior to the date of occurrence of the transaction.</td>
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<td>A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</td>
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<td>B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</td>
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<td>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided,</td>
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<td>where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</td>
<td>event from a certified public accountant who shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF).</td>
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<tr>
<td>iv. When acquiring or disposing memberships, transaction price shall take into consideration of future appreciating value and beneficiary effects. Single transaction or accumulated transactions not exceeding NT$10 million, General Manager’s approval is required.</td>
<td>v. When acquiring or disposing intangible assets such as patent, copy rights, trade mark, and charter right and their respective asset use rights, transaction price shall take into consideration of future revenue and profit streams, technical development and innovation, legal protections, authorization and execution status. The transaction must be first approved by General Manager and then by the board of directors. Where the transaction amount reaches 20 percent of the company’s paid-in capital or NT$300 million or more, the company, unless transacting with a government agency, shall obtain an appraisal report prior to the</td>
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<td>capital or NT$300 million or more, the company, unless transacting with a government agency, shall obtain an appraisal report prior to the date of occurrence of the event from a certified public accountant who shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF).</td>
<td>date of occurrence of the event from a certified public accountant who shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF).</td>
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| v. When acquiring or disposing intangible assets such as patent, copy rights, trade mark, and charter right, transaction price shall take into consideration of future revenue and profit streams, technical development and innovation, legal protections, | vi. Acquisition of Non-operating real estate assets or their respective asset use rights and the limits on the investment of securities:  
(1) Accumulated acquisition value of non-operating real estate assets shall not exceed 5% of the company’s net worth.  
Accumulated acquisition value of non-operating real estate assets by all subsidiaries shall not exceed 5% of the company’s net worth.  
(2) Accumulated securities investment shall not exceed 20% of the company’s net worth.  
Accumulated securities investment by all subsidiaries shall not exceed 20% of the company’s net worth.  
Operating subsidiaries’ securities investment shall not exceed 50% of |              |
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<td>authorization and execution status. The transaction must be first approved by</td>
<td>the company’s net worth. (3) Investment in one single security shall not exceed 200% of the</td>
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<td>General Manager and then by the board of directors. Where the transaction amount</td>
<td>company’s net worth. Investment in one single security by the company’s controlled subsidiary</td>
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<td>reaches 20 percent of the company’s paid-in capital or NT$300 million or more,</td>
<td>shall not exceed 200% of the company’s net worth. Investment in one single security by operating</td>
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<td>the company, unless transacting with a government agency, shall obtain an appraisal</td>
<td>subsidiary shall not exceed 200% of the company’s net worth. Investment in one single security by</td>
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<td>report prior to the date of occurrence of the event from a certified public</td>
<td>operating subsidiary shall not exceed 50% of the company’s net worth. (4) When acquiring or</td>
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<td>accountant who shall be engaged to perform the appraisal in accordance with the</td>
<td>disposing intangible assets or their respective asset use rights, transaction value must not</td>
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<td>provisions of Statement of Auditing Standards No. 20 published by the ROC</td>
<td>exceed 20% of the company’s net worth. Each subsidiary when acquiring or disposing intangible assets,</td>
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<td>Accounting Research and Development Foundation (ARDF). vi. Acquisition of Non-</td>
<td>transaction value must not exceed 20% of the company’s net worth. (5) Abovementioned (1)~(4)</td>
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<td>operating real estate</td>
<td>securities investment shall be valued at cost. vii. Limitations on Professional Appraisers or</td>
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<td>independent professionals: Professional appraisers and their officers, certified public accounts,</td>
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<td>attorneys, and securities underwriters that provide public companies with appraisal reports,</td>
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<td>assets and the limits on the investment of securities:</td>
<td>certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</td>
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<td>(1) Accumulated acquisition value of non-operating real estate assets shall not exceed 5% of the company’s net worth. Accumulated acquisition value of non-operating real estate assets by all subsidiaries shall not exceed 5% of the company’s net worth.</td>
<td>(1) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</td>
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<td>(2) Accumulated securities investment shall not exceed 20% of the company’s net worth. Accumulated securities investment by all subsidiaries shall not exceed 20% of the company’s net worth. Operating subsidiaries’ securities investment shall not exceed 50% of the company’s net worth.</td>
<td>(2) May not be a related party or de facto related party of any party to the transaction.</td>
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<td>(3) Investment in one single security shall not exceed 200% of the company’s net worth. Investment in one single</td>
<td>(3) If the company is required to obtain appraisal reports from two or more professional appraisers, the different</td>
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<td>security by the company’s controlled subsidiary shall not exceed 200% of the</td>
<td>professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</td>
<td>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</td>
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<td>company’s net worth. Investment in one single security by operating subsidiary</td>
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<td>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</td>
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<td>shall not exceed 50% of the company’s net worth. (4) When acquiring or disposing</td>
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<td>(2) When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</td>
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<td>intangible assets, transaction value must not exceed 20% of the company’s net</td>
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<td>(3) They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the</td>
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<td>worth. Each subsidiary when acquiring or disposing intangible assets, transaction</td>
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<td>value must not exceed 20% of the company’s net worth. (5) Abovementioned (1)~(4)</td>
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<td>securities investment shall be valued at cost. vii. Limitations on Professional</td>
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<td>Appraisers: Professional appraisers and their officers, certified public accounts,</td>
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<td>attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant’s</td>
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<td>opinions, attorney's opinions, or underwriter's opinions May not be a related party or de facto related party of any party to the transaction.</td>
<td>information, as the basis for issuance of the appraisal report or the opinion. (4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.</td>
<td>viii. Where a public company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</td>
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<td>viii. Where a public company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</td>
<td>ix. Processes for Related Party Acquisition and Disposal of Real Assets and Assets: (1) When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent</td>
<td>ix. Processes for Related Party Acquisition and Disposal of Real Assets and Assets: (1) When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the</td>
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<td>or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section. When judging whether the transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered. (2) When the Company intends to acquire or dispose of real property thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more, except in trading of government bonds or bonds under repurchase</td>
<td>transaction terms is appraised, if the transaction amount reaches 10 percent or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section. When judging whether the transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered. (2) When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by</td>
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<td>and resale agreements, or subscription or redemption of money market funds</td>
<td>domestic securities investment trust enterprises, the Company may not proceed</td>
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<td>issued by domestic securities investment trust enterprises, the Company may</td>
<td>to enter into a transaction contract or make a payment until the following</td>
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<td>not proceed to enter into a transaction contract or make a payment until the</td>
<td>matters have been recognized by 1/2 the audit committee and approved by the</td>
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<td>following matters have been recognized by 1/2 the audit committee and</td>
<td>board of directors. If the transaction is not approved by 1/2 of the audit</td>
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<td>approved by the board of directors. If the transaction is not approved by 1/2</td>
<td>committee, it can be executed with the approval of 2/3 of board of directors</td>
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<td>of the audit committee, it can be executed with the approval of 2/3 of board</td>
<td>and recorded in the Audit Committee Meeting Minutes the following: A. The</td>
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<td>of directors and recorded in the Audit Committee Meeting Minutes the following:</td>
<td>purpose, necessity and anticipated benefit of the acquisition or disposal of</td>
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<td>A. The purpose, necessity and anticipated benefit of the acquisition or disposal</td>
<td>assets. B. The reason for choosing the related party as transaction counterparty.</td>
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<td>of assets. B. The reason for choosing the related party as transaction</td>
<td>C. With respect to the acquisition of real property or right-of-use assets</td>
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<td>counterparty. C. With respect to the acquisition of real property or right-of-</td>
<td>thereof from a related party, information regarding appraisal of the</td>
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<td>use assets thereof from a related party, information regarding appraisal of the</td>
<td>reasonableness of the preliminary transaction terms in accordance with Article</td>
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<td>preliminary transaction terms in accordance with Article 16 and Article 17.</td>
<td>16 and Article 17. D. The date and price at which the related party originally</td>
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<td>D. The date and price at which the related party originally acquired the real</td>
<td>acquired the real property, the original transaction counterparty, and that</td>
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<td>property, the original transaction counterparty, and that</td>
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<td>information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17.</td>
<td>transaction counterparty’s relationship to the company and the related party.</td>
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<td>D. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty’s relationship to the company and the related party.</td>
<td>E. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</td>
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<td>E. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</td>
<td>F. An appraisal report from a professional appraiser or a CPA’s opinion obtained in compliance with the preceding article.</td>
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<td>F. An appraisal report from a professional appraiser or a CPA’s opinion obtained in compliance with the preceding article.</td>
<td>G. Restrictive covenants and other important stipulations associated with the transaction.</td>
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<td>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 7.1 (iv), paragraph 2 herein, and &quot;within the preceding year&quot; as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the audit committee need not be counted toward the transaction amount.</td>
<td>The calculation of the transaction</td>
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<td>transaction</td>
<td>amounts referred to in the preceding paragraph shall be made in accordance with Article 31, paragraph 2 herein, and &quot;within the preceding year&quot; as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the supervisors need not be counted toward the transaction amount.</td>
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<tr>
<td>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 7.1 (iv), paragraph 2 herein, and &quot;within the preceding year&quot; as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the audit committee need not be counted toward the transaction amount.</td>
<td>With respect to the types of transactions listed below, when to be conducted between a the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's board of directors may pursuant to Article 7, paragraph 1, subparagraph 3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors: A. Acquisition or disposal of equipment or right-of-use assets</td>
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meeting. When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors 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.

(3) When the Company acquires real property from a related party shall evaluate the reasonableness of the transaction costs by the following means:

| A. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is thereof held for business use. |
|---|---|
| B. Acquisition or disposal of real property right-of-use assets held for business use. |

When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors 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.

(3) When the Company acquires real property or **right-of-use assets** thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:

<p>| A. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. &quot;Necessary interest on funding&quot; is imputed as the weighted average interest |</p>
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<td>imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.</td>
<td>rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.</td>
<td>B. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.</td>
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<td>B. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.</td>
<td>Where land and structures thereupon are combined as a single property purchased <strong>or leased</strong> in</td>
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<td>shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.</td>
<td>one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph. When the Company acquiring real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the preceding two paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.</td>
<td>(4) Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with ix.2 of the Guideline and the ix.3 does not apply: A. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift. B. More than 5 years will have elapsed from the time the related party signed the contract to obtain</td>
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<td>acquires real property from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with ix.2 of the Guideline and the ix.3 does not apply:</td>
<td>the real property or right-of-use assets thereof to the signing date for the current transaction.</td>
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<td>A. The related party acquired the real property thereof through inheritance or as a gift.</td>
<td>C. The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.</td>
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<td>B. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property thereof to the signing date for the current transaction.</td>
<td>D. The real property right-of-use assets for business use are acquired by the Company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</td>
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<tr>
<td>C. The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.</td>
<td>(5) When the results of the Company’s appraisal conducted in accordance with ix.3.1 and ix.3.2 are uniformly lower than the transaction price, the matter shall be handled in compliance with vi of the Guideline. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall</td>
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<td>conducted in accordance with ix.3.1 and ix.3.2 are uniformly lower than the transaction price, the matter shall be handled in compliance with vi of the Guideline. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply: A. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions: a. Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party’s construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The &quot;Reasonable construction profit&quot; shall be deemed the average gross operating profit margin of the related party’s construction division over the</td>
<td>1. A. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions: a. Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party’s construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The &quot;Reasonable construction profit&quot; shall be deemed the average gross operating profit margin of the related party’s construction division over the</td>
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<tr>
<td>reasonable construction profit are valued in excess of the actual transaction price. The &quot;Reasonable construction profit&quot; shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.</td>
<td>most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.</td>
<td></td>
</tr>
<tr>
<td>b. Transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring property, where size and transaction terms of the property are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale practices.</td>
<td>b. Transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring property, where size and transaction terms of the property are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.</td>
<td></td>
</tr>
<tr>
<td>B. Where a public company acquiring real property, or obtaining real property right-of-use assets through leasing, from a</td>
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</table>

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<table>
<thead>
<tr>
<th>B. Where a public company acquiring real property through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.</th>
<th>related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.</th>
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<tr>
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<th>After Revision</th>
<th>Explanations</th>
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<tr>
<td>B. Where a public company acquiring real property through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.</td>
<td>related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.</td>
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<td>property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property.</td>
<td>(6) Where a public company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken:</td>
<td></td>
</tr>
<tr>
<td>(6) Where a public company acquires real property from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken:</td>
<td>A special reserve shall be set aside in accordance with the related regulations against the difference between the transaction price and the appraised cost of the real property or right-of-use assets and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve shall be set aside pro rata in a proportion consistent with the share of public company’s equity stake in the other company.</td>
<td></td>
</tr>
<tr>
<td>A. A special reserve shall be set aside in accordance with the related regulations against the difference between the transaction price and the appraised cost of the real property and may not be distributed or used for capital increase or issuance of bonus shares.</td>
<td>Independent directors presiding in the audit committee shall supervise over the execution of the transaction mentioned in the preceding paragraph. When exercising execution,</td>
<td></td>
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</table>
Before Revision | After Revision | Explanations
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another company, then the special reserve shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company. | **independent directors presiding in the audit committee** may survey the Company’s business and financial situations, may check books and documents and may request the board of directors or managers to remit reports. When exercising supervision, independent directors **presiding in the audit committee** may engage legal counsels or accountant on behalf of the Company for check and review. |  |
B. The audit committee shall supervise over the execution of the transaction mentioned in the preceding paragraph. When exercising execution, the audit committee may survey the Company’s business and financial situations, may check books and documents and may request the board of directors or managers to remit reports. When exercising supervision, independent directors may engage legal counsels or accountant on behalf of the Company for check and review. | C. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus. When the Company has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased **or leased** at a premium, or they have been disposed of, **or the leasing contract has been terminated**, or adequate compensation has been made, or the status quo ante has been |
C. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of |
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<td>the transaction shall be disclosed in the annual report and any investment</td>
<td>restored, or there is other evidence confirming that there was nothing</td>
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<td>prospectus.</td>
<td>unreasonable about the transaction, and that the governing authority has</td>
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<td></td>
<td>given its consent.</td>
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<tr>
<td>When the Company has set aside a special reserve under the preceding paragraphs</td>
<td>When the Company obtains real property or right-of-use assets thereof from a</td>
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<td>may not utilize the special reserve until it has recognized a loss on decline</td>
<td>related party, it shall also comply with the preceding two paragraphs if there</td>
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<td>in market value of the assets it purchased or leased at a premium, or they</td>
<td>is other evidence indicating that the acquisition was not an arms-length</td>
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<td>have been disposed of, or the leasing contract has been terminated, or</td>
<td>transaction.</td>
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<td>adequate compensation has been made, or the status quo ante has been restored,</td>
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<td>or there is other evidence confirming that there was nothing unreasonable about</td>
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<td>the transaction, and that the governing authority has given its consent.</td>
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<td>When the Company obtains real property from a related party, it shall also</td>
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<td>comply with the preceding two paragraphs if there is other evidence indicating</td>
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<td>that the acquisition was not an arms-length transaction.</td>
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<tr>
<td>paragraphs if there is other evidence indicating that the acquisition was not an arms-length transaction.</td>
<td>7.1 Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the governing authority's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event: i. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; provided,</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 31.</td>
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<tr>
<td>7.1 Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the governing authority's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event: i. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; provided,</td>
<td>7.1 Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the governing authority's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event: i. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; provided,</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 31.</td>
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<td>or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</td>
<td>this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</td>
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<tr>
<td>ii. Merger, split, acquisition, or transfer of shares.</td>
<td>i. Merger, split, acquisition, or transfer of shares.</td>
<td></td>
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<tr>
<td>iii. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.</td>
<td>iii. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.</td>
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</tr>
<tr>
<td>iv. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</td>
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<tr>
<td>1. For a public company whose paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more.</td>
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| iv. Where equipment for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria: 1. For a public company whose paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more. 2. For a public company whose paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more. v. Where land is acquired under an arrangement on engaging others to build on the company’s own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT$500 million.  
vi. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in | 2. For a public company whose paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more. v. Where land is acquired under an arrangement on engaging others to build on the company’s own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT$500 million.  
vi. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in |  |  |
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<tr>
<td>allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the company expects to invest in the transaction reaches NT$500 million.</td>
<td>capital or NT$300 million; provided, this shall not apply to the following circumstances: (1) Trading of domestic government bonds. (2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures investment trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange. (3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</td>
<td>vi. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT$300 million; provided, this shall not apply to the following circumstances:</td>
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<td>Explanations</td>
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<tr>
<td>(1) Trading of domestic government bonds.</td>
<td>The amount of transactions above shall be calculated as follows:</td>
<td></td>
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<tr>
<td>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics <strong>excluding subordinated debt</strong> that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</td>
<td></td>
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<tr>
<td>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities</td>
<td>(1) The amount of any individual transaction.</td>
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<tr>
<td></td>
<td>(2) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.</td>
<td></td>
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<tr>
<td></td>
<td>(3) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</td>
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<td></td>
<td>(4) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</td>
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| investment trust enterprises. The amount of transactions above shall be calculated as follows:  
(1) The amount of any individual transaction.  
(2) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.  
(3) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property within the same development project within the preceding year.  
(4) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. | 8.1 Information required to be publicly announced and reported in accordance with the provisions Regulations | Revised base on Regulations |

8.1 Information required to be publicly announced and reported in accordance with the provisions Regulations
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<tr>
<td>with the provisions of the “7th Public Information” on acquisitions and</td>
<td>of the “7th Public Information Announcement” on acquisitions and disposals of</td>
<td>Governing the Acquisition and Disposal of Assets by Public Companies</td>
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<tr>
<td>disposals of assets by a public company’s subsidiary that is not itself a</td>
<td>assets by a public company’s subsidiary that is not itself a public company in</td>
<td>Article 34.</td>
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<tr>
<td>public company in Taiwan shall be reported by the Company.</td>
<td>Taiwan shall be reported by the Company.</td>
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<td>The paid-in capital or total assets of the Company shall be the standard</td>
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<td>applicable to a subsidiary referred to in the preceding paragraph in</td>
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<td></td>
<td>determining whether, relative to paid-in capital or total assets, it reaches</td>
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<td></td>
<td>a threshold requiring public announcement and regulatory filing.</td>
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<tr>
<td>8.6 In the case of the Company whose shares have no par value or a par</td>
<td>8.6 In the case of the Company whose shares have no par value or a par</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets</td>
</tr>
<tr>
<td>value other than NT$10—for the calculation of transaction amounts of 20</td>
<td>value other than NT$10—for the calculation of transaction amounts of 20</td>
<td>by Public Companies</td>
</tr>
<tr>
<td>percent of paid-in capital under these Regulations, 10 percent of equity</td>
<td>percent of paid-in capital under these Regulations, 10 percent of equity</td>
<td>Article 35.</td>
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<tr>
<td>attributable to owners of the parent shall be substituted.</td>
<td>attributable to owners of the parent shall be substituted; <strong>for calculations</strong></td>
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<td><strong>under the provisions of these Regulations regarding transaction amounts</strong></td>
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<td><strong>relative to paid-in capital</strong></td>
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<td>Before Revision</td>
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<tr>
<td>8.7 The Guide was established on June 13, 2013. First revision was made on June 25, 2014. Second revision was made on June 16, 2017.</td>
<td>of NT$10 billion, NT$20 billion of equity attributable to owners of the parent shall be substituted. 8.7 The Guide was established on June 13, 2013. First revision was made on June 25, 2014. Second revision was made on June 16, 2017. Third revision was made on June 20, 2019.</td>
<td>Added date of Amendments.</td>
</tr>
</tbody>
</table>
## Comparison Table for Guidelines for Trading Derivatives Before and After Revision

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<tr>
<th>Before Revision</th>
<th>After Revision</th>
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<tbody>
<tr>
<td><strong>1. Purpose</strong>&lt;br&gt;To enforce management of derivatives transactions and lower management risks, Green Seal Holding Limited (“the Company”) has established the Guidelines for Trading Derivatives (“the Guidelines”) based on relevant laws and regulations. Any unmentioned matters in the guideline shall adhere to the latest laws and regulations.</td>
<td><strong>1. Purpose</strong>&lt;br&gt;To enforce management of derivatives transactions and lower management risks, Green Seal Holding Limited (“the Company”) has established the Guidelines for Trading Derivatives (“the Guidelines”) based on relevant laws and regulations. Any unmentioned matters in the guideline or any subsequent statute change, the guidelines shall adhere to the latest laws and regulations.</td>
<td>Added that the Guidelines shall adhere to the latest laws and regulations.</td>
</tr>
<tr>
<td><strong>4.1 Derivatives:</strong> Refers to forward contract, option contract, futures contract, leverage margin contract, exchange contract and combination of any of the above mentioned contracts whose values are derived from assets, interest rates, exchange rates indexes or other interest bearing products. The term “forward contracts” does not include insurance contracts, insurance options, insurance futures contracts, insurance leverage contracts, or insurance swap contracts.</td>
<td><strong>4.1 Derivatives:</strong> Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 4.</td>
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<tr>
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<tr>
<td>performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</td>
<td><strong>embedded derivatives.</strong></td>
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<tr>
<td>4.2 The term &quot;forward contracts&quot; does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</td>
<td>4.2 The term &quot;forward contracts&quot; does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 4.</td>
</tr>
<tr>
<td>5.6.1 The Board of Directors shall designate senior management from departments other than Finance Department to regularly review the supervision and control of trading of derivative products based on internal audit provisions. Periodic evaluation of performance shall be conducted to review the degree of consistency with the Company’s established business strategy and the</td>
<td>5.6.1 The Board of Directors shall designate senior management from departments other than Finance Department to regularly review the supervision and control of trading of derivative products based on internal audit provisions. Periodic evaluation of performance shall be conducted to review the degree of consistency with the Company’s established business strategy and whether the risks undertaken are within</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 21.1.</td>
</tr>
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<td>Before Revision</td>
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<td>level of adequacy of the current risk tolerance.</td>
<td>the company’s permitted scope of tolerance.</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies</td>
</tr>
<tr>
<td>5.8.1 The Board of Directors shall designate senior management from departments other than Finance Department to regularly review the supervision and control of trading of derivative products based on internal audit provisions. Periodic evaluation of performance shall be conducted to review the degree of consistency with the Company’s business strategy and the level of adequacy of the current risk tolerance.</td>
<td>5.8.1 The Company’s internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and <strong>conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading</strong>, and prepare an audit report for review by the personnel designated by the board of directors. If any material violation were discovered, a notification shall be sent to the audit committee in writing. Moreover, punishment shall be imposed on those who violate the Guides.</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 22.</td>
</tr>
<tr>
<td>5.9.3 When the Company at the time of public announcement makes an error or omission in the projects required by regulations to be publicly announced, the Company shall make correction on all</td>
<td>5.9.3 When the Company at the time of public announcement makes an error or omission in <strong>the items</strong> required by regulations to be publicly announced, the Company shall make correction on all <strong>the items</strong> and shall re-announce</td>
<td>Revised base on Regulations Governing the Acquisition and Disposal of Assets by Public Companies</td>
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<tr>
<td>the projects and shall re-announce publicly one more time based on Article 5.9.1 and 5.9.2.</td>
<td>publicly one more time based on Article 5.9.1 and 5.9.2.</td>
<td>Public Companies Article 31.</td>
</tr>
<tr>
<td><strong>5.11.5</strong> The Guideline was enacted on June 13, 2013 and revision was ratified on June 25, 2014.</td>
<td><strong>5.11.5</strong> The Guide was enacted on June 13, 2013. First revision was made on June 25, 2014. Second revision was made on June 20, 2019.</td>
<td>Added dates of Amendments.</td>
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Attachment 8
Comparison Table for Guidelines for Lending of Capital Before and After Revision

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<tr>
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<td>Article 1</td>
<td>Article 1</td>
<td>Revised base on amendments of the related laws and regulations.</td>
</tr>
<tr>
<td>To enforce management of lending capital and lower management risks, Green Seal Holding Limited (“the Company”) has established the Guidelines for Lending Capital (“the Guidelines”) based on relevant laws and regulations. Any unmentioned matters in the Guidelines shall adhere to the latest laws and regulations.</td>
<td>To enforce management of lending capital and lower management risks, Green Seal Holding Limited (“the Company”) has established the Guidelines for Lending Capital (“the Guidelines”) based on relevant laws and regulations. Any unmentioned matters in the Guidelines or <strong>any statue change in the future</strong>, shall adhere to the latest laws and regulations.</td>
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<tr>
<td>New Addition</td>
<td>Article 6.1.7</td>
<td>1. New Addition.</td>
</tr>
<tr>
<td></td>
<td>For foreign companies that the Company hold 100% voting rights, directly or indirectly, and there is necessity for short term lending, 6.1.3 does not apply. However, cumulated amount for lending of capital shall not exceed 60% of net worth of the lender, based on the lender’s latest audited financial report.</td>
<td>2. Revised base on Regulations Governing the Lending of Capital and Endorsement and Guarantees by Public Companies</td>
</tr>
<tr>
<td>Before Revision</td>
<td>After Revision</td>
<td>Explanation</td>
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| **Article 6.11.2**  
When the Guidelines submitted for discussion by the board of directors 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. | **Article 6.11.2**  
When the Guidelines submitted for discussion by the board of directors 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. **When there is an audit committee, the above-mention does not apply.** | Revised base on Regulations Governing the Lending of Capital by Public Companies Article 8. |
| **Article 6.11.3**  
The enactment and revisions of the Guidelines shall be ratified by 1/2 of the audit committee, and then approved by the board of directors. If approval by 1/2 of the audit committee were not obtained, enactment and revisions can be executed with the approval of 2/3 of board of directors and recorded in the Board of Directors’ | **Article 6.11.3**  
The enactment and revisions of the Guidelines shall be ratified by 1/2 of the audit committee, and then approved by the board of directors. If approval by 1/2 of the audit committee were not obtained, enactment and revision can be executed with the approval of 2/3 of board of directors and recorded in the Board of Directors’ | Re-wording. |
<table>
<thead>
<tr>
<th>Before Revision</th>
<th>After Revision</th>
<th>Explanation</th>
</tr>
</thead>
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<tr>
<td>Directors’ Meeting Minutes the resolution of the Audit Committee</td>
<td>Meeting Minutes the resolution of the Audit Committee.</td>
<td></td>
</tr>
<tr>
<td>Article 6.11.4  The Guidelines was enacted on June 13, 2013.</td>
<td>Article 6.11.4  The Guidelines was enacted on June 13, 2013.</td>
<td>Added dates of Amendments.</td>
</tr>
<tr>
<td></td>
<td>First amendment was made on June 13, 2018.</td>
<td></td>
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<tr>
<td></td>
<td>Second amendment was made on June 20, 2019.</td>
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</tbody>
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### Attachment 9

**Comparison Table for Guidelines for Endorsement and Guarantee Before and After Revision**

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<tr>
<th>Before Revision</th>
<th>After Revision</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Article 1</strong> To enforce management of endorsement and guarantee and lower management risks, Green Seal Holding Limited (”the Company”) has established the Guidelines for Lending Capital (”the Guidelines”) based on relevant laws and regulations. Any unmentioned matters in the Guidelines shall adhere to the latest laws and regulations.</td>
<td><strong>Article 1</strong> To enforce management of endorsement and guarantee and lower management risks, Green Seal Holding Limited (”the Company”) has established the Guidelines for Lending Capital (”the Guidelines”) based on relevant laws and regulations. Any unmentioned matters in the guidelines or any statue change in the future, shall adhere to the latest laws and regulations.</td>
<td>Revised base on amendments of the related laws and regulations.</td>
</tr>
<tr>
<td><strong>Article 4.4</strong> Subsidiaries: Referred to the Company’s subsidiaries set up in accordance with Accounting Standard Number 5 and Number 7 of the Accounting Research and Development Foundation.</td>
<td><strong>Article 4.4</strong> Subsidiaries: Referred to the Company’s subsidiaries recognized by financial reporting standards.</td>
<td>Revised base on Regulations Governing the Lending of Capital and Endorsement and Guarantees by Public Companies Article 3.</td>
</tr>
<tr>
<td><strong>Article 6.9.2</strong> When the Guidelines submitted for discussion by the board of directors pursuant to the</td>
<td><strong>Article 6.9.2</strong> When the Guidelines submitted for discussion by the board of directors</td>
<td>Revised base on Regulations Governing the Lending of</td>
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<tr>
<td>Before Revision</td>
<td>After Revision</td>
<td>Explanation</td>
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<tr>
<td>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.</td>
<td>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.</td>
<td>Capital and Endorsement and Guarantees by Public Companies Article 8 and 11.</td>
</tr>
</tbody>
</table>
| Article 6.9.3  
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<table>
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<tr>
<th>Before Revision</th>
<th>After Revision</th>
<th>Explanation</th>
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</thead>
<tbody>
<tr>
<td>Article 6.9.4</td>
<td>Article 6.9.4</td>
<td>Added dates of Amendments.</td>
</tr>
<tr>
<td>The Guidelines was enacted on June 13, 2013.</td>
<td>The Guidelines was enacted on June 13, 2013. First amendment was made on June 13, 2018. Second amendment was made on June 20, 2019.</td>
<td></td>
</tr>
</tbody>
</table>

- 93 -
<table>
<thead>
<tr>
<th>Number</th>
<th>Name</th>
<th>Experience &amp; Education</th>
<th>Current Positions</th>
<th>Shares Held</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Lin, Tao</td>
<td>Xiamen University, School of Management, Associate Dean</td>
<td>Xiamen University, School of Management, Professor</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Xiamen University, School of Management, Professor</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Xiamen University, School of Management, Associate Professor</td>
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<tr>
<td></td>
<td></td>
<td>Xiamen University, School of Management, PhD</td>
<td></td>
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</tr>
<tr>
<td>2</td>
<td>Chuang I Tzu</td>
<td>President Securities, Manager, Business Development</td>
<td>Tundin Management Consultant Co., Chairman</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lifu Development, Compliance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Xiamen University, MBA</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Tamkang University, BA in Finance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Ni, Ying Hua</td>
<td>SAC, Independent Director Tung Kai Technology Engineering Co., Ltd, Director</td>
<td>Dingchuen Law Firm, Managing Director Kaowei Accounting Firm, Legal Advisor Judicial Reform Foundation, Executive Committee Member Chinese Arbitration Association, Arbitrator</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Excelsior Medical, Attorney</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>EMC, Manager of Marketing</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Chin Poon, Special Assistant, Business Development</td>
<td></td>
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<td></td>
<td>Union Group, Head of Legal Affairs</td>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td>Soochow University, School of Law, Technology Law Studies</td>
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<td></td>
<td>NCCU, EMBA</td>
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<tr>
<td></td>
<td></td>
<td>National Taiwan University, BA in Political Science</td>
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</tbody>
</table>
4. Appendix
THE COMPANIES LAW (2016 REVISION)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES

SEVENTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

Green Seal Holding Limited
綠悅控股有限公司

(as adopted by a Special Resolution dated on 13 June, 2018)
1 The name of the Company is **Green Seal Holding Limited** 綠悅控股有限公司.

2 The registered office of the Company shall be at the offices of International Corporation Services Ltd., PO Box 472, 2nd Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1106, 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 the Companies Law (2016 Revision) or as the same may be revised from time to time, or any other law of the Cayman Islands.

4 The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.

5 The authorised capital of the Company is: NT$2,000,000,000 divided into 200,000,000 ordinary shares of par value NT$10.00 each provided always that subject to the provisions of the Companies Law (2016 Revision) as amended and the Articles of Association, the Company shall have power to redeem or purchase any or all of such shares and to issue all or any part of its capital with priority or subject to any conditions or restrictions whatsoever and 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.

6 The Company has power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

7 Capitalised terms that are not defined in this Memorandum of Association bear the same meaning as those given in the Articles of Association of the Company.

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SEVENTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION
OF
Green Seal Holding Limited
(绿悦控股有限公司)
(as adopted by a Special Resolution dated on [*] June, 2018)

1 Interpretation

1.1 In the Articles Table A in the First Schedule to the Statute does not apply and, unless there is something in the subject or context inconsistent therewith:

"Applicable Public Company Rules" means the R.O.C. laws, rules and regulations stipulating public reporting companies or companies listed on any R.O.C. stock exchange or securities market, including, without limitation, the relevant provisions of the Company Law, Securities and Exchange Law, the Enterprise Mergers and Acquisitions Law, the rules and regulations promulgated by the Ministry of Economic Affairs, the rules and regulations promulgated by the Financial Supervisory Commission ("FSC"), the rules and regulations promulgated by the Taiwan Stock Exchange ("TWSE") and the Acts Governing Relations Between Peoples of the Taiwan Area and the Mainland Area and its relevant regulations.

"Annual Net Income" means the audited annual net profit of the Company in respect of the applicable year.

"Articles" means these articles of association of the Company.

"Company" means the above named company.

"Directors" means the directors for the time being of the Company (which, for clarification, includes any and all Independent Director(s)).

"Electronic Record" has the same meaning as in the Electronic Transactions Law.

"Electronic Transactions Law" means the Electronic Transactions Law (2003 Revision) of the Cayman Islands.
"Independent Directors" means the Directors who are elected by the Members at a general meeting and designated as "Independent Directors" for the purpose of Applicable Public Company Rules which are in force from time to time.

"Market Observation Post System" means the internet information reporting system designated by the FSC.

"Member" has the same meaning as in the Statute.

"Memorandum" means the memorandum of association of the Company.

"Merger" means a transaction whereby (i) all of the companies participating in such transaction are dissolved, and a new company is incorporated to generally assume all rights and obligations of the dissolved companies or (ii) all but one company participating in such transaction are dissolved, and the surviving company generally assumes all rights and obligations of the dissolved companies, and in each case the consideration for the transaction being the shares of the surviving or newly incorporated company or any other company, cash or other assets.

"Short-form Merger" means a Merger in which one of the merging companies holds issued shares that together represent at least 90% of the voting power of the outstanding shares of the other merging company.

"Ordinary Resolution" means a resolution passed by a simple majority of votes cast by the Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting.

"Simple Majority" means more than one-half.

"Private Placement" means obtaining subscriptions for, or the sale of, Shares, options, warrants, rights of holders of debt or equity securities which enable those holders to subscribe further securities (including Shares), or other securities of the Company, either by the Company itself or a person authorized by the Company, primarily from or to specific investors or approved by the Company or such authorized person, but excluding any employee incentive programme or subscription agreement, warrant, option or issuance of Shares under Articles 11.1 to 11.4 of these Articles.

"Register of Members" means the register maintained in accordance with the Statute and includes (except where otherwise stated) any duplicate Register of Members.
"Registered Office" means the registered office for the time being of the Company.

"R.O.C." means the Republic of China.

"Seal" means the common seal of the Company and includes every duplicate seal.

"Share" and "Shares" means a share or shares in the Company and includes a fraction of a share.

"Share Certificate" and "Share Certificates" means a certificate or certificates representing a Share or Shares.

"Share Exchange" means a company transferring all its issued shares to another company in exchange for shares, cash or other assets in that company as the consideration for shareholders of the transferring company.

"Short-form Share-swap" Means a parent company effects a Share-swap with its subsidiary company wherein at least 90% of the voting power of the outstanding shares of the subsidiary company are held by the parent company.

"Solicitor" means any Member, a trust enterprise or a securities agent mandated by Member(s) who solicits an instrument of proxy from any other Member to appoint him/it as a proxy to attend and vote at a general meeting instead of the appointing Member pursuant to the Applicable Public Company Rules.

"Special Resolution" means a resolution passed by a majority of not less than two-thirds of votes cast by such Members as, being entitled so to do, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

"Spin-off" refers to an act wherein a transferor company transfers all of its independently operated business or any single independently operated business to an existing or a newly incorporated company as consideration for that existing transferee company or newly incorporated transferee company to give shares, cash or other assets to the transferor company or shareholders of that company.

"Short-form Spin-off" Means a parent company effects a Spin-off with its subsidiary company wherein at least 90% of the voting power of the
outstanding shares of the subsidiary company are held by the parent company, and whereby the parent company is the transferee company assuming the business and the subsidiary company is the divided company acquiring the total amount of consideration for the business transferred.

"Statute" means the Companies Law (2016 Revision) of the Cayman Islands, as amended, and every statutory modification or re-enactment thereof for the time being in force.

"Subsidiary" and "Subsidiaries" means (i) a subordinate company in which the total number of voting shares or total share equity held by the Company represents more than one half of the total number of issued voting shares or the total share equity of such subordinate company; or (ii) a company in which the total number of shares or total share equity of that company held by the Company, its subordinate companies and its controlled companies, directly or indirectly, represents more than one half of the total number of issued voting shares or the total share equity of such company.

"Supermajority Resolution" means (i) a resolution adopted by a majority vote of the Members present and entitled to vote on such resolution at a general meeting attended in person or by proxy by Members who represent two-thirds or more of the total issued, outstanding Shares of the Company or, (ii) if the total number of Shares represented by the Members present at the general meeting is less than two-thirds of the total issued, outstanding Shares of the Company, but more than half of the total issued, outstanding Shares of the Company, a resolution adopted at such general meeting by the Members who represent two-thirds or more of the Shares present and entitled to vote on such resolution.

"TDCC" means the Taiwan Depository & Clearing Corporation.

"Treasury Shares" means a Share held in the name of the Company as a treasury share in accordance with the Statute and the Applicable Public Company Rules.

1.2 In the Articles:

(a) words importing the singular number include the plural number and vice versa;

(b) words importing the masculine gender include the feminine gender;

(c) words importing persons include corporations;

(d) "written" and "in writing" include all modes of representing or reproducing words in visible form, including in the form of an Electronic Record;
(e) references to provisions of any law or regulation shall be construed as references to those provisions as amended, modified, re-enacted or replaced from time to time;

(f) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

(g) headings are inserted for reference only and shall be ignored in construing the Articles; and

(h) Section 8 of the Electronic Transactions Law shall not apply.

(i) Applicable Public Company Rules shall not apply until the Company has become a public company pursuant to Applicable Public Company Rules.

2 Commencement of Business

2.1 After incorporation, the Company may operate its business at the time the board of Directors deems fit.

2.2 The Directors may pay, out of the capital or any other monies of the Company, all expenses incurred in or about the formation and establishment of the Company, including the expenses of registration.

3 Issue of Shares

3.1 Subject to the provisions, if any, in the Statute, the Memorandum, the Articles and Applicable Public Company Laws (and to any direction that may be given by the Company in general meeting) and without prejudice to any rights attached to any existing Shares, the board of Directors may allot, issue, grant options over or otherwise dispose of Shares with or without preferred, deferred or other rights or restrictions, whether in regard to Dividend, voting, return of capital or otherwise and to such persons, at such times and on such other terms as they think proper, and the Company shall have power to redeem, purchase, spin-off or consolidate any or all of such Shares and to issue all or any part of its capital whether 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.

3.2 The Company shall not issue Shares to bearer.

3.3 The Company shall not issue any unpaid Shares or partly paid-up Shares.

4 Register of Members

4.1 The board of Directors shall keep, or cause to be kept, the Register of Members at such place as the board of Directors may from time to time determine and, in the absence of any such determination, the Register of Members shall be kept at the Registered Office.

4.2 If the board of Directors consider it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside
the Cayman Islands as the board of Directors think fit. The principal register and the branch register(s) shall together be treated as the Register of Members for the purposes of the Articles.

4.3 For so long as any Shares are listed on the TWSE, title to such listed Shares may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the TWSE that are or shall be applicable to such listed Shares and the Register of Members maintained by the Company in respect of such listed Shares may be kept by recording the particulars required by section 40 of the Statute in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the rules and regulations of the TWSE that are or shall be applicable to such listed Shares.

5 Closing Register of Members or Fixing Record Date

5.1 For the purpose of determining Members entitled to notice of, or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any Dividend, or in order to make a determination of Members for any other purpose, the board of Directors shall determine the period that the Register of Members shall be closed for transfers and such period shall not be less than the minimum period of time prescribed by the Applicable Public Company Rules.

5.2 Subject to Article 5.1 hereof, in lieu of, or apart from, closing the Register of Members, the board of Directors may fix in advance or arrears a date as the record date for any such determination of Members entitled to notice of, or to vote at any meeting of the Members or any adjournment thereof, or for the purpose of determining the Members entitled to receive payment of any Dividend or in order to make a determination of Members for any other purpose. In the event the board of Directors designates a record date in accordance with this Article 5.2, the board of Directors shall make a public announcement of such record date via the Market Observation Post System in accordance with the Applicable Public Company Rules.

5.3 The rules and procedures governing the implementation of book closed periods of the Register of Members, including notices to Members in regard to book closed periods of the Register of Members, shall be in accordance with policies adopted by the board of Directors from time to time, which policies shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules.

6 Share Certificates

6.1 Subject to the provisions of the Statute, the Memorandum and Articles and the Applicable Public Company Rules, the Company shall issue Shares without printing Share Certificates for the Shares issued and the Shares shall be delivered by book-entry transfer, and in accordance with the Applicable Public Company Rules, the issuance, transfer or cancellation of the Shares be handled in accordance with the relevant rules of the central securities depository. A Member shall only be entitled to a Share Certificate if the board of Directors resolves that Share Certificates shall be issued. Share Certificates, if any, shall be in such form as the board of Directors may determine. Share Certificates shall be signed by one or more Directors authorised by the board of Directors. The board of Directors may authorise Share Certificates to be issued with the authorised signature(s) affixed by mechanical process. All Share Certificates shall be consecutively numbered or otherwise identified and shall specify the Shares to which they relate. All Share Certificates surrendered to the Company for transfer shall be cancelled and subject to the Articles. No new Share Certificate shall be issued until the former Share Certificate representing a like number of relevant Shares shall have been surrendered and cancelled.
In the event that the board of Directors resolve that Share Certificates shall be issued pursuant to Article 6.1 hereof, the Company shall deliver the Share Certificates to the subscribers within thirty days from the date such Share Certificates may be issued pursuant to the Statute, the Memorandum, the Articles and the Applicable Public Company Rules, and shall make a public announcement prior to the delivery of such Share Certificates pursuant to the Applicable Public Company Rules.

6.3 No Shares may be registered in the name of more than one Member.

6.4 If a Share Certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and on the payment of such expenses reasonably incurred by the Company in investigating evidence, as the board of Directors may prescribe, and (in the case of defacement or wearing out) upon delivery of the old Share Certificate.

7 Preferred Shares

7.1 The Company may issue Shares with rights which are preferential to those of ordinary Shares issued by the Company (“Preferred Shares”) with the approval of a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors and with the approval of a Special Resolution.

7.2 Prior to the issuance of any Preferred Shares approved pursuant to Article 7.1 hereof, the Articles shall be amended to set forth the rights and obligations of the Preferred Shares, including but not limited to the following terms, and provided that such rights and obligations of the Preferred Shares shall not contradict the mandatory provisions of Applicable Public Company Rules regarding the rights and obligations of such Preferred Shares, and the same shall apply to any variation of rights of Preferred Shares:

(a) Order, fixed amount or fixed ratio of allocation of Dividends and bonus on Preferred Shares;

(b) Order, fixed amount or fixed ratio of allocation of surplus assets of the Company;

(c) Order of or restriction on the voting right(s) (including declaring no voting rights whatsoever) of preferred Members;

(d) Other matters concerning rights and obligations incidental to Preferred Shares; and

(e) The method by which the Company is authorized or compelled to redeem the Preferred Shares, or relevant regulations that redemption rights shall not apply.

8 Issuance of New Shares

8.1 The issue of new Shares of the Company shall be approved by a majority of the Directors present 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 authorised capital of the Company.

8.2 Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its capital by issuing new Shares for cash, the Company shall, after reserving Shares for Public Offering (defined below) and Shares for Employees’ Subscription (defined
below) in accordance with Article 8.3, make a public announcement and notify each Member that
he/she/it is entitled to exercise a pre-emptive right to purchase his/her/its pro rata portion of any
new Shares issued in the capital increase in cash. A waiver of such pre-emptive right may be
approved at the same general meeting where the subject issuance of new Shares is approved by
the Members. The Company shall state in such announcement and notices to the Members that if
any Member fails to purchase his/her/its pro rata portion of the newly-issued Shares within the
prescribed period, such Member shall be deemed to forfeit his/her/its pre-emptive right to
purchase the newly-issued Shares. Subject to Article 6.3, in the event that Shares held by a
Member are insufficient for such Member to exercise the pre-emptive right to purchase one
newly-issued Share, Shares held by several Members may be calculated together for joint
purchase of newly-issued Shares or for purchase of newly-issued Shares in the name of a single
Member pursuant to the Applicable Public Company Rules. If the total number of the new Shares
to be issued has not been fully subscribed by the Members within the prescribed period, the
Company may offer any un-subscribed new Shares to be issued to the public in Taiwan or to
specific person or persons according to the Applicable Public Company Rules.

8.3 Where the Company increases its capital in cash by issuing new Shares in Taiwan, the Company
shall allocate 10% of the total amount of the new Shares to be issued, for offering in Taiwan to
the public unless it is not necessary or appropriate, as determined by the board of Directors
according to the Applicable Public Company Rules and/or the instruction of the FSC or TWSE, for
the Company to conduct the aforementioned public offering. Provided however, if a percentage
higher than the aforementioned 10% is resolved by a general meeting to be offered, the
percentage determined by such resolution shall prevail ("Shares for Public Offering"). The
Company may reserve up to 15% of the total amount of the new Shares to be issued for the
subscription by the employees of the Company and its Subsidiaries ("Shares for Employees’
Subscription"). The Company may restrain the shares subscribed by the aforementioned
employees from being transferred or assigned to others within a specific period of time which
shall in no case be longer than two years.

8.4 Members’ rights to subscribe for newly-issued Shares may be transferred independently from the
Shares from which such rights are derived. The rules and procedures governing the transfer of
rights to subscribe for newly-issued Shares shall be in accordance with policies established by
the Company from time to time, which policies shall be in accordance with the Statute, the
Memorandum, the Articles and the Applicable Public Company Rules.

8.5 The pre-emptive right of Members provided under Article 8.2 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 with another company, or the Spin-off of the Company, 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 referenced in Articles 11.1 to 11.4 ; (c)
in connection with meeting the Company’s obligations under convertible bonds or corporate
bonds vested with rights to acquire Shares; (d) in connection with meeting the Company’s
obligations under Preferred Shares vested with rights to acquire Shares; (e) in connection with a
Private Placement;(f) in connection with the issue of Restricted Shares in accordance with Article
8.7; or (g) other matters in accordance with the Applicable Public Company Rules.

8.6 The periods of notice and other rules and procedures for notifying Members and implementing
the exercise of the Members’ pre-emptive rights shall be in accordance with policies established
by the board of Directors from time to time, which policies shall be in accordance with the Statute,
the Memorandum, the Articles and the Applicable Public Company Rules.

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8.7 Subject to the provision of the Statute and the Applicable Public Company Rules, the Company may, with the approval of a Supermajority Resolution in a general meeting, issue new Shares with restricted rights to the employees of the Company and its Subsidiaries (“Restricted Shares”) and the provision of Article 8.2 shall not apply to any such issue of Restricted Shares. The terms of issue of Restricted Shares, including, but not limited to the number, issue price and other relevant conditions shall comply with the Applicable Public Company Rules.

8.8 Subject to the provisions of the Statute and the Applicable Public Company Rules, the Company may, by resolutions of the Members passed at a general meeting attended by Members who represent a majority of the issued, outstanding Shares and approved by the Members who represent two-thirds or more of the Shares present and entitled to vote on such resolution, conduct Private Placements, and shall comply with the Applicable Public Company Rules to determine, inter alia, the purchaser(s), the types of securities, the determination of the offer price, and the restrictions on transfer of securities of such Private Placement.

9 Transfer of Shares

9.1 Subject to the Statute and the Applicable Public Company Rules, Shares issued by the Company may be freely transferable.

9.2 Subject to these Articles and the Applicable Public Company Rules, any Member may transfer all or any of his Shares by an instrument of transfer.

9.3 The Board may approve to effect transfers of Shares which are not issued physically through relevant systems (including systems of TDCC) without executing share transfer documents. With respect to non-physically issued shares, the Company shall notify holders of these shares to provide (or have a third party designated by such holders to provide) instruction(s) necessary for transfers of shares through relevant systems according to the requirement, equipment and demand of those systems, provided however, that such instructions shall not violate these Articles, Statute and the Applicable Public Companies Rules.

10 Redemption and Repurchase of Shares

10.1 Subject to the provisions of the Statute, the Memorandum, and the Articles, the Company may purchase its own Shares in the manner and terms to be resolved by the board of Directors from time to time. Notwithstanding the foregoing, for so long as any Shares are listed on the TWSE, the Company may purchase its own shares on such terms as are approved by resolutions of the Directors passed at a meeting of the board of Directors attended by more than two-thirds of members of the board and approved by a majority of the Directors present at such meeting, provided that any such repurchase shall be in accordance with the Applicable Public Company Rules. In the event that the Company proposes to purchase any Shares listed on the TWSE pursuant to this Article, the approval of the board of Directors and the implementation thereof shall be reported to the Members at the next general meeting in accordance with the Applicable Public Company Rules. Such reporting obligation shall apply even if the Company does not implement the repurchase proposal for any reason.

10.2 Subject to the provisions of Cayman Islands law, the Statute, the Memorandum, and the Articles, the Company may issue Shares that are to be redeemed or are liable to be redeemed at the option of the Member or the Company. The redemption of such Shares shall be effected in such manner as the Company may, by Special Resolution, determine before the issue of the Shares. The Company may make a payment in respect of the redemption of its own Shares in any
manner (including out of capital). After the Company has acquired public company status, the foregoing matter shall be made in accordance with the Applicable Public Company Rules as applied to the Company.

10.3 The board of Directors may, upon the purchase or redemption of any Share under Articles 10.1 to 10.7, determine that such Share shall be held as Treasury Share ("Repurchased Treasury Shares"). For Treasury Shares, no dividends shall be distributed or paid, nor shall any distribution of the Company’s assets be made (whether in cash or by other means) (including any assets distribution to the Members when the Company is winding up).

10.4 Subject to the provisions of the Statute, the Memorandum and the Articles, the board of Directors may determine to cancel a Treasury Share or transfer a Treasury Share to the employees on such terms as they think proper (including, without limitation, for nil consideration). After the Company has acquired public company status, the foregoing matter shall be made in accordance with the Applicable Public Company Rules as applied to the Company.

10.5 If the Company repurchases any Shares traded on the TWSE and proposes to transfer the Repurchased Treasury Shares to any employees of the Company or its Subsidiaries at the price below the average repurchase price paid by the Company for Repurchased Treasury Shares (the "Average Purchase Price") the Company shall require the approval of a resolution of the Members passed at a general meeting attended by Members who represent a majority of the issued, outstanding Shares and approved by the Members who represent two-thirds or more of the Members present and entitled to vote on such resolution, and shall specify such motion in the meeting notice of that general meeting in accordance with the Applicable Public Company Rules which shall not be brought up as an ad hoc motion:

(a) The transfer price, discount rate, calculation basis and reasonability;

(b) Number of shares transferred, purpose and reasonability;

(c) Qualification of employees’ subscription and number of shares employees may subscribe; and

(d) Matters affecting equity of the Members:

   (i) Amounts that may become expenditures, and the dilution of earnings per share of the Company;

   (ii) Explain the financial burden caused to the Company by transfer of shares to employees at a price lower than the Average Purchase Price.

10.6 The aggregate number of Treasury Shares to be transferred to employees pursuant to Article 10.4 and the aggregate number of Treasury Shares transferred to any individual employee shall be subject to the Applicable Public Company Rules as applied to the Company and shall not exceed a stipulated percent of the Company’s total issued, allotted and outstanding Shares as at the date of transfer of any Treasury Shares to the employee. The Company may impose restrictions on the transfer of such Shares by the employee for a period of no more than two years.

10.7 Notwithstanding anything to the contrary contained in Article 10.1 to 10.6, and subject to the Statute, the Memorandum and Articles and the Applicable Public Company Rules, the Company
may, with the approval of an Ordinary Resolution, compulsorily redeem or repurchase Shares, provided that such Shares shall be cancelled upon redemption or repurchase and such redemption or repurchase will be effected pro rata based on the percentage of shareholdings of the Members. Payments in respect of any such redemption or repurchase, if any, may be made either in cash or by distribution of specific assets of the Company, as specified in the Ordinary Resolution approving the redemption or repurchase, provided that (a) the relevant Shares will be cancelled upon such redemption or repurchase and will not be held by the Company as Treasury Shares, and (b) where assets other than cash are distributed to the Members, the type of assets, the value of the assets and the corresponding amount of such substitutive distribution shall be (i) assessed by an R.O.C. certified public account before being submitted to the Members for approval and (ii) agreed to by the Member who will receive such assets. After the Company has acquired public company status, the foregoing matter shall be made in accordance with the Applicable Public Company Rules as applied to the Company.

11 Employee Incentive Programme

11.1 Notwithstanding the provision of Article 8.7 Restricted Shares, 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 incentive programmes and may issue Shares or options, warrants or other similar instruments, to employees of the Company and its Subsidiaries. The rules and procedures governing such incentive programme(s) shall be in accordance with policies established by the board of Directors from time to time in accordance with the Statute, the Memorandum and the Articles. After the Company has acquired public company status, the foregoing matter shall be made in accordance with the Applicable Public Company Rules as applied to the Company.

11.2 Options, warrants or other similar instruments issued in accordance with Article 11.1 above are not transferable save by inheritance.

11.3 The Company may enter into relevant agreements with employees of the Company and the employees of its Subsidiaries in relation to the incentive programme approved pursuant to Article 11.1 above, whereby employees may subscribe, within a specific period of time, 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.

11.4 Directors of the Company and its Subsidiaries shall not be eligible for the employee incentive programmes under Article 8.7 or this Article 11.1, provided that directors who are also employees of the Company or its Subsidiaries may participate in an employee incentive programme in their capacity as an employee (and not as a director of the Company or its Subsidiaries).

12 Variation of Rights of Shares

12.1 If at any time the share capital of the Company 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 that 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.
12.2 The relevant provisions of the Articles relating to general meetings shall apply to every class meeting of the holders of the same class of the Shares.

12.3 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 \textit{pari passu} therewith.

13 Transmission of Shares

13.1 If a Member dies, the survivor or survivors where he was a joint holder, or his legal personal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest. The estate of a deceased Member is not thereby released from any liability in respect of any Share which had been jointly held by him.

13.2 Any person becoming entitled to a Share in consequence of the death or bankruptcy or liquidation or dissolution of a Member (or in any way other than by transfer) shall give written notice to the Company and, upon such evidence being produced as may from time to time be required by the board of Directors, may elect, by a notice in writing sent by him, either to become the holder of such Share or to have some person nominated by him become the holder of such Share.

14 Amendments of Memorandum and Articles of Association and Alteration of Capital

14.1 Subject to the provisions of the Statute, the Applicable Public Company Rules and the Articles, the Company may by Special Resolution:

(a) change its name;

(b) alter or add to these Articles;

(c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein;

(d) reduce its share capital and any capital redemption reserve fund; and

(e) increase its authorised share capital or cancel any Shares that at the date of the passing of the resolution have not been taken or agreed to be taken by any person, provided that in the event of any change to its authorised share capital, the Company shall also procure the amendment of its Memorandum by the Members at a general meeting to reflect such change.

14.2 Subject to the provisions of the Statute, the Applicable Public Company Rules and the Articles, the Company shall by a Supermajority Resolution:

(a) sell, transfer or lease of whole business of the Company or other matters which has a material effect on the Members' rights and interests;

(b) discharge or remove any Director;

(c) approve any action by any Director(s) who is engaging in business for him/herself or on behalf of another person that is within the scope of the Company's business;
(d) effect any capitalization of distributable Dividends and/or bonuses and/or any other amount prescribed under Article 35 hereof;

(e) effect any Merger(other than a Short-form Merger) or Spin-off(other than a Short-form Spin-off), provided that any Merger which falls within the definition of “merger and/or consolidation” under the Statute shall also be subject to the requirements of the Statute;

(f) enter into, amend, or terminate any agreement for lease of the Company’s whole business, or for entrusted business, or for frequent joint operation with others;

(g) transfer its business or assets, in whole or in any essential part, provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company; and

(h) acquire or assume the whole business or assets of another person, which has material effect on the Company’s operation.

14.3 Subject to the provisions of the Statute, the Articles, and the Applicable Public Company Rules, with regard to the dissolution procedures of the Company, the Company shall pass

(a) a Supermajority Resolution, if the Company resolves that it be wound up voluntarily because it is unable to pay its debts as they fall due; or

(b) a Special Resolution, if the Company resolves that it be wound up voluntarily for reasons other than the reason stated in Article 14.3(a) above.

14.4 When the Company returns share capital according to the Statute, and the Articles, the share capital shall be returned in proportion to the shareholdings of the Members.

14.5 Subject to the provisions of the Statue and the Articles, if the Company intends to return share capital by assets other than cash, the asset to be returned and the amount to be deducted shall be approved by general meetings and consented by the Member who will receive such asset. Provided that the asset to be returned and the amount to be deducted shall be audited by the certified R.O.C. public accountant before they are submitted by the board of Directors for general meetings’ resolution. After the Company has acquired public company status, the foregoing matter shall be made in accordance with the Applicable Public Company Rules as applied to the Company.

14.6 Subject to the provisions of the Statute, the Applicable Public Company Rules and the Articles, the consent of two-thirds or more of the total issued, outstanding Shares of the Company shall be required when the Company participates in a merger in which the Company is dissolved, carries on a general transfer or transfers its business or assets, conducts a share exchange, or conducts a spin-off, and, in addition to the foregoing, if the trading of Shares on the stock exchange is terminated as a result thereof and the surviving or newly incorporated company or the transferee company is not listed on TWSE or Taipei Exchange.

15 Registered Office

Subject to the provisions of the Statute, the Company may by resolution of the board of Directors change the location of its Registered Office.
16 **General Meetings**

16.1 All general meetings other than annual general meetings are extraordinary general meetings.

16.2 The Company shall hold a general meeting as its annual general meeting within six months following the end of each fiscal year, and shall specify the meeting as such in the notices calling it. At these meetings, the report of the Directors (if any) shall be presented.

16.3 The Company shall hold an annual general meeting every year.

16.4 The general meetings shall be held at such time and place as the Directors shall appoint provided that unless otherwise provided by the Statute or this Article 16.4, the general meetings shall be held in Taiwan in the event the Company has acquired public company status. For general meetings to be held outside Taiwan, after the Company has acquired public company status, the Company shall apply with the TWSE to obtain its approval within two days after the board of Directors resolves to call a general meeting or within two days after the shareholder(s) obtain(s) the approval from competent authorities to convene the same. In addition, where a general meeting is to be held outside Taiwan, the Company shall engage a professional securities agent in Taiwan to handle the administration of such general meeting (including but not limited to the handling of the voting of proxies submitted by Members).

16.5 The board of Directors may call general meetings, and they shall on a Member’s requisition forthwith proceed to convene an extraordinary general meeting of the Company.

16.6 Member(s) who are entitled to submit a Member’s requisition as provided in the preceding Article 16.5 are Member(s) of the Company holding at the date of deposit of the requisition not less than 3% of the total number of the issued, outstanding Shares at the time of requisition and whose Shares shall have been held by such Member(s) for at least one year.

16.7 The requisition must state in writing the matters to be discussed at the extraordinary general meeting and the reason therefor and must be signed by the requisitionists and deposited at the Registered Office, and may consist of several documents in like form each signed by one or more requisitionists.

16.8 If the board of Directors do not within fifteen days from the date of the deposit of the requisition dispatch the notice of an extraordinary general meeting, the requisitionists may themselves convene an extraordinary general meeting in accordance with the Applicable Public Company Rules.

17 **Notice of General Meetings**

17.1 At least two days’ notice to each Member shall be given of any annual general meeting or extraordinary general meeting, or in the event the Company has acquired public company status, at least thirty days' notice to each Member shall be given of any annual general meeting, and at least fifteen days' notice to each Member shall be given of any extraordinary general meeting. Every notice shall be exclusive of the day on which it is given or deemed to be given and of the day for which it is given and shall specify the place, the day and the hour of the meeting and the general nature of the business and shall be given in the manner hereinafter mentioned, or be given via electronic means if agreed thereon by the Members, or be given in such other manner as may be prescribed by the Company. Before the Company has acquired public company status, a general meeting of the Company shall, whether or not the notice specified in this regulation has
been given and whether or not the provisions of the Articles regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed by all the Members (or their proxies) entitled to attend such general meeting.

17.2 Before the Company has acquired public company status, the accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any Member entitled to receive notice shall not invalidate the proceedings of that general meeting.

17.3 After the Company has acquired public company status, the Company shall, at least thirty days prior to any annual general meeting or at least fifteen days prior to any extraordinary general meeting (as the case may be), make public announcement of the notice of such general meeting, instrument of proxy, the businesses and their explanatory materials of any sanction, discussion, election or removal of Directors and transform such information into electronic format and transmitted the same to the Market Observation Post System in accordance with the Applicable Public Company Rules. If the voting power in any general meeting will be exercised by way of a written ballot, the written ballot and the aforementioned information of such general meeting shall together be delivered to each Member. The Directors shall prepare a meeting handbook of relevant general meeting and supplemental materials in accordance with the Applicable Public Company Rules at least twenty-one days prior to any general meeting (or at least fifteen days prior to any extraordinary general meeting), send to or make it available for the Members and transmitted the same to the Market Observation Post System.

17.4 The Company shall prepare a meeting handbook of the relevant general meeting and supplemental materials available for inspection by the Members, which will be placed at the office of the Company and the Company’s securities agent, distributed at the meeting venue, and transmitted to the Market Observation Post System within the period required by the Applicable Public Company Rules.

17.5 Matters pertaining to (a) election or discharge of Directors, (b) alteration of the Articles, and (c) (i) dissolution, Merger(other than a Short-form Merger), Share Exchange(other than a Short-form Share-swap) or Spin-off(other than a Short-form Spin-off), (ii) entering into, amending, or terminating any contract for lease of the Company's business in whole, or the delegation of management of the Company’s business to others or the regular joint operation of the Company with others, (iii) transfer of the whole or any material part of the business or assets of the Company, (iv) acceptance of the transfer of the whole business or assets of another person, which has a material effect on the business operation of the Company, and (d) ratification of an action by Director(s) who engage(s) in business for him/herself or on behalf of another person that is within the scope of the Company's business, (e) distribution of the whole or a part of the surplus profit of the Company in the form of new Shares, capitalization of statutory reserve and any other amount in accordance with Article 35, and (f) the Private Placement of any equity-type securities issued by the Company, shall be indicated in the notice of general meeting, with a summary of the material content to be discussed, and shall not be brought up as an ad hoc motion.

17.6 The board of Directors shall keep the Articles, minutes of general meetings, financial statements, the Register of Members, and the counterfoil of any corporate bonds issued by the Company at the office of the Company’s registrar (if applicable) and the Company’s securities agent located in Taiwan. The Members may request, from time to time, by submitting document(s) evidencing his/her interests involved and indicating the designated scope of the inspection, access to inspect, review or make copies of the foregoing documents.
The Company shall make all statements and records prepared by the board of Directors and the report prepared by the audit committee, if any, available at the office of its registrar (if applicable) and its securities agent located in Taiwan in accordance with the Statute and the 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 an inspection and review.

18 Proceedings at General Meetings

18.1 No business shall be transacted at any general meeting unless a quorum is present. Unless otherwise provided in the Statute, the Articles and the Applicable Public Company Rules, Members present in person or by proxy, representing more than one-half of the total issued, outstanding Shares, shall constitute a quorum for any general meeting.

18.2 The board of Directors shall submit business reports, financial statements and proposals for distribution of profits or covering of losses prepared by it for the purposes of annual general meetings of the Company for ratification or approval by the Members as required by the Applicable Public Company Rules. After ratification or approval by the general meeting, the board of Directors shall distribute or make publicly available on the Market Observation Post System the copies of the ratified financial statements and the Company's resolutions on the allocation and distribution of profits or covering of loss, to each Member in accordance with the Applicable Public Company Rules.

18.3 Subject to the Statue, the Articles and the Applicable Public Company Rules, if a quorum is not present at the time appointed for the general meeting, the chairman may postpone the general meeting to a later time, provided, however, that the maximum number of times a general meeting may be postponed shall be no more than two and the total time postponed shall not exceed one hour. If the general meeting has been postponed for two times, but at the postponed general meeting a quorum is still not present, the chairman shall declare the general meeting is dissolved, and if it is still necessary to convene a general meeting, it shall be reconvened as a new general meeting in accordance with the Articles.

18.4 If a general meeting is called by the board of Directors, the chairman of the board of Directors shall preside as the chair of such general meeting. In the event that the chairman is on a leave of absence, or is unable to exercise his powers and authorities, the vice chairman of the board of Directors shall act in lieu of the chairman. If there is no vice chairman of the board of Directors, or if the vice chairman of the board of Directors is also on leave of absence, or cannot exercise his powers and authorities, the chairman shall designate a Director to chair such general meeting. If the chairman does not designate a proxy or if such chairman's proxy cannot exercise his powers and authorities, the Directors who are present at the general meeting shall elect one from among themselves to act as the chair at such general meeting in lieu of the chairman. If a general meeting is called by any person(s) other than the board of Directors, the person(s) who has called the meeting shall preside as the chair of such general meeting; and if there is more than one person who has called a general meeting, such persons shall elect one from among themselves to act as the chair of such general meeting.

18.5 A resolution put to the vote of the meeting shall be decided on a poll. In computing the required majority when a poll is demanded regard should be had to the number of votes to which each Member is entitled by the Articles.

18.6 In the case of an equality of votes, the chairman shall not be entitled to a second or casting vote.
18.7 Nothing in the Articles shall prevent any Member from issuing proceedings in a court of competent jurisdiction for an appropriate remedy in connection with the improper convening of any general meeting or the improper passage of any resolution. The Taipei District Court, R.O.C., shall be the court of the first instance for adjudicating any disputes arising out of the foregoing.

18.8 Unless otherwise expressly required by the Statute, the Articles or the Applicable Public Company Rules, 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.

18.9 Subject to the Applicable Public Company Rules, Member(s) holding 1% or more of the total number of issued, allotted, outstanding Shares immediately prior to the relevant book closed period may propose to the Company a proposal for discussion at an annual general meeting in writing to the extent and in accordance with the rules and procedures of general meetings proposed by the Directors and approved by an Ordinary Resolution. Proposals shall not be included in the agenda where (a) the proposing Member(s) holds less than 1% of the total number of outstanding Shares, (b) where the matter of such proposal may not be resolved by a general meeting, (c) the proposing Member has proposed more than one proposal, (d) such proposal contains more than 300 words, or (e) such proposal is submitted on a day beyond the deadline announced by the Company for accepting the Member's proposals.

18.10 Unless the Company has acquired public company status in accordance with the Applicable Public Company Rules, a resolution (including a Special Resolution) in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or, being corporations, signed by their duly authorised representatives) shall be as valid and effective as if the resolution had been passed at a general meeting of the Company duly convened and held.

19 Votes of Members

19.1 Subject to any rights or restrictions attached to any Shares, every Member who is present in person or by proxy shall have one vote for every Share of which he is the holder.

19.2 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 or unless all calls or other monies then payable by him in respect of Shares have been paid.

19.3 Any objection raised to the qualification of any voter by a Member having voting rights shall be referred to the chairman who shall decide in accordance with the applicable laws.

19.4 Votes may be cast either personally or by proxy. A Member may appoint only one proxy under one instrument to attend and vote at a meeting.

19.5 A Member holding more than one Share is required to cast the votes in respect of his Shares in the same way on any resolution; provided that a Member who holds Shares for the benefit of others may, to the extent permissible by the provisions of the Statute, cast the votes of the Shares in different ways in accordance with the Applicable Public Company Rules.

Upon convening a general meeting of the Members, the Company shall include voting by way of an electronic transmission as one of the methods of exercising voting power as well as voting by written ballot. If a general meeting is to be held outside of R.O.C., the methods by which
19.6 Members are permitted to exercise their voting power shall include written ballot or voting by way of an electronic transmission. Where these methods of exercising voting power are to be available at a general meeting, they shall be described in the general meeting notice given to the Members in respect of the relevant general meeting, and the Member voting by written ballot or electronic transmission shall submit such vote to the Company two days prior to the date of the relevant general meeting. In case that there are duplicate submissions, the first received by the Company shall prevail. A Member exercising voting power by way of a written ballot or by way of an electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to exercise his or her voting right at such general meeting in accordance with the instructions stipulated in the written or electronic document; provided, however, that such appointment shall be deemed not to constitute the appointment of a proxy for the purposes of the Applicable Public Company Rules. The chairman, acting as proxy of a Member, shall not exercise the voting right of such Member in any way not stipulated in the written or electronic document, nor exercise any voting right in respect of any resolution revised at the meeting or any impromptu proposal at the meeting. A Member voting in such manner shall be deemed to have waived notice of, and the right to vote in regard to, any ad hoc resolution or amendment to the original agenda items to be resolved at the said general meeting. Should the chairman not observe the instructions of a Member in exercising such Member’s voting right in respect of any resolution, the Shares held by such Member shall not be included in the calculation of votes in respect of such resolution but shall nevertheless be included in the calculation of quorum for the meeting.

19.7 A Member who has submitted a vote by written ballot or electronic transmission pursuant to Article 19.6 may, at least two days prior to the date of the relevant general meeting, revoke such vote in the same manner previously used in submitting the vote and such revocation shall constitute a revocation of the proxy deemed to be given to the chairman of the general meeting pursuant to Article 19.6. If a Member who has submitted a written ballot or electronic transmission pursuant to Article 19.6 does not submit such a revocation before the prescribed time, the proxy deemed to be given to the chairman of the general meeting pursuant to Article 19.6 shall not be revoked and the chairman of the general meeting shall exercise the voting right of such Member in accordance with that proxy.

19.8 If, subsequent to submitting a written ballot or electronic transmission pursuant to Article 19.6, a Member submits a proxy appointing a person of the general meeting as his proxy to attend the relevant general meeting on his behalf, then the subsequent appointment of that person as his proxy shall be deemed to be a revocation of such Member’s deemed appointment of the chairman of the general meeting as his proxy pursuant to Article 19.6.

20 Proxies

20.1 An instrument of proxy shall be in writing, be personally signed or sealed under the hand of the appointor, or, if the appointor is a corporation under the hand of an officer or attorney duly authorised for that purpose. A proxy need not be a Member of the Company.

20.2 In addition to any restrictions provided by the Statute, the Articles and the Applicable Public Company Rules, obtaining an instrument of proxy for attendance of general meetings shall be subject to the following conditions:

(a) the instrument of proxy shall not be obtained in exchange for money or any other interest, provided that this provision shall not apply to souvenirs for a general meeting distributed on behalf of the Company or reasonable fees paid by the Solicitor to any person mandated to handle proxy solicitation matters;
(b) the instrument of proxy shall not be obtained in the name of others; and

(c) an instrument of proxy obtained through solicitation shall not be used as a non-solicited instrument of proxy for attendance of a general meeting.

20.3 Except for the securities agent, a person shall not act as the proxy for more than thirty Members. Any person acting as proxy for three or more Members shall submit to the Company or its securities agent (a) a statement of declaration declaring that the instruments of proxy are not obtained for the purpose of soliciting on behalf of himself/herself or others; (b) a schedule showing details of such instruments of proxy; and (c) the signed or sealed instruments of proxy, in each case, five days prior to the date of the general meeting.

20.4 The Company may mandate a securities agent to act as the proxy for the Members for any general meeting provided that no resolution in respect of the election of Directors is proposed to be voted upon at such meeting. Matters authorized under the mandate shall be stated in the instructions of the instruments of proxy for the general meeting concerned. A securities agent acting as the proxy shall not accept general authorisation from any Member, and shall, within five days after each general meeting of the Company, prepare a compilation report of general meeting attendance by proxy comprising the details of proxy attendance at the general meeting, the status of exercise of voting rights under the instrument of proxy, a copy of the contract, and other matters as required by the R.O.C. securities competent authorities, and maintain the compilation report available at the offices of the securities agent.

20.5 Except for a Member appointing the chairman of a general meeting as his proxy through written ballot or electronic transmission in the exercise of voting power pursuant to Article 19.6, or for trust enterprises organized under the laws of the R.O.C. or a securities agent approved pursuant to the Applicable Public Company Rules, in the event a person acts as the proxy for two or more Members, the sum of Shares entitled to be voted as represented by such proxy shall be no more than 3% of the total outstanding voting Shares immediately prior to the relevant book closed period; any vote in respect of the portion in excess of such 3% threshold shall not be counted. For the avoidance of doubt, the number of the Shares to be represented by a securities agent mandated by the Company in accordance with Article 20.4 shall not be subject to the limit of 3% of the total number of the outstanding voting Shares set forth herein.

20.6 The Shares represented by a person acting as the non-solicited proxy for three or more Members shall not be more than four times the number of Shares held by such person and shall not exceed 3% of the total number of the outstanding Shares.

20.7 In the event that a Member exercises his/her/its voting power by means of a written ballot or by means of electronic transmission and has also authorized a proxy to attend a general meeting, then the voting power exercised by the proxy at the general meeting shall prevail. In the event that any Member who has authorised a proxy to attend a general meeting later intends to attend the general meeting in person or to exercise his voting power by way of a written ballot or electronic transmission, he shall, at least two days prior to such general meeting, serve the Company with a separate notice revoking his previous appointment of 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.

20.8 Each Member is only entitled to execute one instrument of proxy to appoint one proxy. The instrument of proxy shall be deposited at the Registered Office or at such other place as is specified for that purpose in the notice convening the general meeting, or in any instrument of
proxy sent out by the Company not less than five days before the time for holding the general meeting or adjourned general meeting at which the person named in the instrument proposes to vote. In case that there are duplicate instruments of proxy received from the same Member by the Company, the first instrument of proxy received by the Company shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous instrument of proxy in the later-received instrument of proxy.

20.9 The instrument of proxy shall be in the form approved by the Company and be expressed to be for a particular general 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.

20.10 At a general meeting, each instrument of proxy for such meeting shall be tallied and verified by the Company's securities agent or any other mandated securities agent prior to the time for holding the general meeting. The following matters should be verified:

(a) whether the instrument of proxy is printed under the authority of the Company;

(b) whether the instrument of proxy is signed or sealed by the appointing Member; and

(c) whether the Solicitor or proxy (as the case may be) is named in the instrument of proxy and whether the name is correct.

20.11 The material contents required to be stated in the instruments of proxy, the meeting handbook or other supplemental materials of such general meeting, the written documents and advertisement of the Solicitor for proxy solicitation, the schedule of the instruments of proxy, the proxy form and other documents printed and published under the authority of the Company shall not contain any false statement or omission.

20.12 Votes given in accordance with the terms of an instrument of proxy shall be valid unless notice in writing was received by the Company at the Registered Office or at such other place as is specified for that purpose in the notice convening the general meeting, or in any instrument of proxy sent out by the Company at least two days prior to the commencement of the general meeting, or adjourned general meeting at which it is sought to use the proxy. The notice must set out expressly the reason for the revocation of the proxy, whether due to the incapacity or the lack in authority of the principal at the time issuing the proxy or otherwise.

20.13 A Member who has appointed a proxy shall be entitled to make a request to the Company or its securities agent for examining the way in which his instrument of proxy has been used, within seven days after the relevant general meeting.

20.14 If a general meeting is to be held outside of the R.O.C. after the Company has acquired public company status, the Company shall engage a professional securities agent within the R.O.C. to handle the voting by the Members.

21 Proxy Solicitation
Subject to the provisions of the Statute and the Articles, matters regarding the solicitation of
proxies shall be handled in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies of the R.O.C.

22 Dissenting Member’s Appraisal Right

22.1 In the event any of the following resolutions is adopted at a general meeting, any Member who has notified the Company in writing of his objection to such a resolution prior to such meeting and has raised again his/her objection at such meeting, may request the Company to buy back all of his/her Shares at the then prevailing fair price:

(a) The Company enters into, amends, or terminates any agreement for lease of the Company's business in whole, or the delegation of management of the Company's business to other or the regular joint operation of the Company with others;

(b) The Company transfers the whole or a material 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) The Company accepts the transfer of the whole business or assets of another person, which has a material impact on the Company’s business operations.

22.2 In the event any part of the Company’s business is Spin Off (other than a Short-form Spin-off) or involved in any Merger (other than a Short-form Merger) with any other company, the Member, who has expressed his objection therefor, in writing or verbally with a record before or during the general meeting and forfeited his voting right provided, may request the Company to buy back all of his/her Shares at the then prevailing fair price. In the event of a Short-form Merger or a Short-form Spin-off where at least 90% of the voting power of the outstanding shares of the Company are held by the other company participating in the such Merger or Spin-off, the Company shall deliver a notice to each Member immediately after the resolution of board of directors approving such Short-form Merger or Short-form Spin-off and such notice shall state that any Member who expressed his/her/its objection against the Short-form Merger or Short-form Spin-off within the specified period may submit a written objection requesting the Company to buy back all of his/her/its Shares at the then prevailing fair value of such Shares.

22.3 The request prescribed in the preceding two Articles shall be delivered to the Company in writing, stating therein the types and numbers of Shares requested to be repurchased, within twenty days after the date of the relevant resolution. In the event the requesting Member and the Company have reached an agreement in regard to the purchase price of the Shares held by such Member (the “appraisal price”), the Company shall pay such price within ninety days after the date on which the resolution was adopted. In the event the Company and the requesting Member fail to reach the agreement with respect to the appraisal price within sixty days after the resolution date, the Member may, within thirty days after such sixty-day period, file a petition to any competent court of the R.O.C. for a ruling on the appraisal price, and such ruling by such R.O.C. court shall be binding and conclusive as between the Company and requested Member solely with respect to the appraisal price.

22.4 The payment of appraisal price and the delivery of Share Certificates shall comply with the Applicable Public Company Rules.
23 Corporate Members

A Member, who is a corporation, organization or non-natural person entity, may in accordance with its constitutional documents, or in the absence of relevant provision in its constitutional documents by resolution of its board of directors or other governing body, authorise a person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members, and the person so authorised shall be entitled to exercise the same powers on behalf of such corporate Member which he represents as the corporation could exercise if it were an individual Member.

24 Shares that May Not be Voted

24.1 Shares in the Company that are held by such Company (including held through such Company’s Subsidiaries) shall not vote, directly or indirectly, at any general meeting and shall not be counted in determining the total number of outstanding Shares at any given time.

24.2 A Member who has a personal interest in any matter discussed at a general meeting, which interest may be in conflict with those of the Company, shall abstain from voting such Member’s Shares in regard to such matter but such Shares shall be counted in for calculating 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.

24.3 If a Director creates or has created security over any Shares held by such Director, such Director shall notify the Company of such security. If at any time the number of the pledged Shares held by a Director exceeds half of the Shares held by such Director at the time of his appointment, then the voting rights attached to the Shares held by such Director at such time shall be reduced, such that the Shares over which security has been created which are in excess of half of the Shares held by such Director at the date of his appointment shall not carry voting rights and shall not be counted in the number of votes casted by the Member at a general meeting.

25 Directors

25.1 There shall be a board of Directors consisting of no less than five (5) persons and no more than seven (7) persons, including Independent Directors, each of whom shall be appointed to a term of office of three (3) years and is eligible for re-election. The Company may from time to time by resolution of the board of Directors increase or reduce the number of Directors subject to the above number limitation provided that the requirements by relevant laws and regulations (including but not limited to any listing requirements) are met. In the event of any vacancy in the board of Directors or an increase in the number of Directors of the Company, the new Director elected in the general meeting shall fill the vacancy for the residual term of office. Any new Director elected due to increase in the number of Directors of the Company shall serve for the same term as other members of the board of Directors (i.e. the new Director’s term of office shall end on the same day as the other Directors).

25.2 Unless otherwise approved by competent authorities, not more than half of the total number of Directors can have a spousal relationship or familial relationship within the second degree of kinship with any other Directors.

25.3 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 25.2 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 in Article 25.2 hereof. Any person who has already served as Director but is in violation of the aforementioned requirements shall be removed from the position of Director automatically.

25.4 Unless otherwise permitted under the Applicable Public Company Rules, there shall be at least three (3) Independent Directors. To the extent required by the Applicable Public Company Rules, at least one of the Independent Directors shall be domiciled in the R.O.C. and at least one of the Independent Directors shall have accounting or financial expertise.

25.5 Independent Directors shall have professional knowledge and shall maintain independence in discharging 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 governed by the Applicable Public Company Rules.

25.6 Any Member(s) holding 3% or more of the Company’s issued Shares for at least one year may in writing request the Independent Directors of the Audit Committee to bring action against the Directors on behalf of the Company in a court of competent jurisdiction as the court of first instance. If the Independent Directors fail to bring such action within thirty days after the request by the Member, such Member may bring the action in a court of competent jurisdiction as the court of first instance in the name of the Company.

26 Powers of Directors

26.1 Subject to the provisions of the Statute, the Articles, the Applicable Public Company Rules and to any directions given by Ordinary Resolution, Special Resolution or Supermajority Resolution, the business of the Company shall be managed by the board of Directors who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the board of Directors which would have been valid if that alteration had not been made or that direction had not been given. A duly convened meeting of the board of Directors at which a quorum is present may exercise all powers exercisable by the board of Directors.

26.2 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the board of Directors shall determine by resolution.

26.3 The board of Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture stock, mortgages, bonds and other such securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

26.4 The Company may purchase liability insurance for Directors and the board of Directors shall determine the terms of such insurance by resolution, taking into account the standards of the industry in the R.O.C. and overseas.

26.5 The Directors shall faithfully carry out their duties with care, and may be held liable for the damages suffered by the Company for any violation of such duty. The Company may by Ordinary Resolution of any general meeting demand the Directors to disgorge any profit realised from such violation and regard the profits realised as the profits of the Company as if such violation was made for the benefit of the Company. The Directors shall indemnify the Company
for any losses or damages incurred by the Company if such loss or damage is incurred as a result of a Director’s breach of laws or regulations in the course of performing his duties. The Directors and the Company shall jointly and severally indemnify the third party for any losses or damages incurred by such third party if such loss or damage is incurred as a result of a Director’s breach of laws or regulations in the course of performing his duties. The aforementioned duties of the Directors shall also apply to the managers of the Company.

27 Appointment and Removal of Directors

27.1 The Company may by a majority or, if less than a majority, the most number of votes, at any general meeting elect a Director, which vote shall be calculated in accordance with Article 27.2 below. The Company may by Supermajority Resolution remove any Director. Members present in person or by proxy, representing more than one-half of the total issued, outstanding Shares shall constitute a quorum for any general meeting to elect Director(s).

27.2 After the Company has acquired public company status, Directors shall be elected pursuant to a cumulative voting mechanism pursuant to a poll vote, the procedures for which has been approved and adopted by the board of Directors and also by an Ordinary Resolution, where 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 (“Special Ballot Votes”), and the total number of Special Ballot Votes casted by any Member may be consolidated for election of one Director candidate or may be split for election amongst multiple Director candidates, as specified by the Member pursuant to the poll vote ballot. There shall not be votes which are limited to class, party or sector, and any Member shall have the freedom to specify whether to consolidate all of its votes on one or any number of candidate(s) without restriction. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a Director elect, and where more than one Director is being elected, the top candidates to whom the votes cast represent a prevailing number of votes relative to the other candidates shall be deemed directors elect. The rule and procedures for such cumulative voting mechanism shall be in accordance with policies proposed by the board of Directors and approved by an Ordinary Resolution from time to time, which policies shall be in accordance with the Memorandum, the Articles and the Applicable Public Company Rules.

27.3 The Directors may adopt a candidate nomination mechanism which is in compliance with Applicable Public Company Rules. The rules and procedures for such candidate nomination shall be in accordance with policies proposed by the board of Directors and approved by an Ordinary Resolution from time to time, which policies shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules. Such candidate nomination mechanism in compliance with Applicable Public Company Rules shall also be used for an election of Independent Directors in the event the Company has acquired public company status in accordance with Applicable Public Company Rules.

27.4 If a Member is judicial person, the authorised representative of such Member may be elected as Director. If such Member has more than one authorised representative, each of the authorised representatives of such Member may be elected as Directors respectively.

27.5 Notwithstanding anything to the contrary in Article 27.1 to 27.4, unless the Company has acquired public company status in accordance with Applicable Public Company Rules, the Company may by Ordinary Resolution appoint any person to be a Director or may by Ordinary Resolution remove any Director.
28 Vacation of Office of Director

28.1 Notwithstanding anything in the Articles to the contrary, the Company may from time to time by Ordinary Resolution remove all Director from office before the expiration of their term of office and may elect new Directors in accordance with Article 27.1. and unless the resolution approving such removal and election provides otherwise, all the Directors shall be deemed to have been removed upon the passing of such resolution to elect new Directors prior to the expiration of such Director's applicable term of office.

28.2 In the event of any of the following events having occurred in relation to any Director, such Director shall be vacated automatically:

(a) he gives notice in writing to the Company to resign the office of Director;

(b) he dies, becomes bankrupt or makes any arrangement or composition with his creditors generally;

(c) an order is made by any competent court or official on the grounds that he is or will be suffering from mental disorder or is otherwise incapable of managing his affairs, or his/her legal capacity is restricted according to the applicable laws;

(d) he commits a felony and is subsequently adjudicated guilty by a final judgment, and the time elapsed since he has served the full term of the sentence is less than five years;

(e) he commits any criminal offence of fraud, breach of trust or misappropriation and is subsequently punished with imprisonment for a term of more than one year, and the time elapsed since he has served the full term of such sentence is less than two years;

(f) he is adjudicated guilty by a final judgment for misappropriating Company or public funds during the time of his service, and the time elapsed after he has served the full term of such sentence is less than two years;

(g) he is dishonoured for use of credit instruments, and the term of such sanction has not expired yet;

(h) the Members resolve by a Supermajority Resolution that he should be removed as a Director;

(i) during the term of office as a Director, he/she/it has transferred more than one half of the company's shares being held by him/her/it at the time he/she is elected; or

(j) subject to the provisions of the Statue, and the Articles or the Applicable Public Company Rules, in the event that he has, in the course of performing his duties, committed any act resulting in material damage to the Company or in serious violation of applicable laws and/or regulations or the Memorandum and the Articles, but has not been removed by the Company pursuant to a Supermajority Resolution vote, then any Member(s) holding 3% or more of the total number of issued, outstanding Shares shall have the right, within thirty days after that general meeting, to petition any competent court for the removal of such Director, at the Company’s expense and such Director shall be removed upon the final judgement by such court. For clarification, if a relevant court has competent jurisdiction to
adjudicate all of the foregoing matters in a single or a series of proceedings, then, for the purpose of this paragraph (i), final judgement shall be given by such competent court.

In the event that the foregoing events described in any of clauses (b), (c), (d), (e), (f) and (g) has occurred in relation to a Director elect, such Director elect shall be disqualified from being elected as a Director.

If any director after having been elected and before his/her/its inauguration of the office of Director, has transferred more than one half of the total number of shares of the company he/she/it holds at the time of his/her/its election as such; or had transferred more than one half of the total number of shares he/she/it held within the share transfer prohibition period fixed prior to the convention of a shareholders’ meeting, then his/her/its election as a Director shall become invalid.

29 Proceedings of Directors

29.1 The quorum for the transaction of the business of the board of Directors may be fixed by the board of Directors and unless so fixed shall be over one half of the total number of Directors elected. If the number of Directors is less than five (5) persons due to the vacation of Director(s) for any reason, the Company shall hold an election of Director(s) to fill the vacancies at the next following general meeting. When the number of vacancies in the board of Directors of the Company is equal to one third of the total number of Directors elected, the board of Directors shall hold, within sixty days, a general meeting of Members to elect succeeding Directors to fill the vacancies.

29.2 Unless otherwise provided by the Statue, the Articles, or the Applicable Public Company Rules, if the number of Independent Directors is less than three due to the vacation of Independent Directors for any reason, the Company shall hold an election of Independent Directors to fill the vacancies at the next following general meeting. Unless otherwise permitted by the Applicable Public Company Rules, if all of the Independent Directors are vacated, the board of Directors shall hold, within sixty days, a general meeting to elect succeeding Independent Directors to fill the vacancies.

29.3 Subject to the provisions of the Statue, the Articles and the Applicable Public Company Rules, the Directors may regulate their proceedings as they think fit. Any motions shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote.

29.4 A person may participate in a meeting of the board of Directors or committee of Directors by video conference. Participation by a person in a meeting in this manner is treated as presence in person at that meeting. The time and place for a meeting of the Directors or committee of Directors shall be at the office of the Company and during business hours or at a place and time convenient to the Directors and suitable for holding such meeting.

29.5 A Director may, or other officer of the Company authorized by a Director shall, call a meeting of the board of Directors by at least one day’s notice in writing (which may be a notice delivered by facsimile transmission or electronic mail) to every Director which notice shall set forth the general nature of the business to be considered. In the event the Company becomes a public reporting company in accordance with the Applicable Public Company Rules, unless otherwise permitted by the Applicable Public Company Rules, the chairman of the boards shall call a meeting of the board of Director by at least seven days’ notice in writing (which may be a notice delivered by
facsimile transmission or electronic mail) to every Director. In the event of an urgent situation, a meeting of the board of Directors may be held at any time after notice has been given in accordance with the Applicable Public Company Rules.

29.6 The continuing Directors may act notwithstanding any vacancy in other Directors’ office, but if and so long as the number of continuing Directors is below the minimum number of Directors fixed by or pursuant to the Articles, the continuing Directors or Director may act only for the purpose of summoning a general meeting of the Company, but for no other purpose.

29.7 The board of Directors shall, by a resolution, establish rules governing the procedure of meeting(s) of the board of Directors and report such rules to a meeting of Members, and such rules shall be in accordance with the Articles and the Applicable Public Company Rules.

29.8 Subject to the Statute, all acts done by any meeting of the board of Directors or of a committee of Directors 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, the effectiveness of the acts shall be determined in accordance with the applicable laws.

29.9 A Director may be represented at any meetings of the board of Directors by a proxy appointed the other director in writing by him. 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.

30 Directors’ Interests

30.1 A Director (except for Independent Director) may hold any other office or place of profit under the Company in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the remuneration committee shall present its recommendations to the board of Directors for discussion and approval.

30.2 The Directors may be paid remuneration only in cash. The amount of such remuneration shall be recommended by the remuneration committee and determined by the board of Directors, and take into account the extent and value of the services provided for the management of the Company and the standards of the industry in the R.O.C. and overseas. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the board of Directors or committees of Directors, or general meetings of the Company, or separate meetings of the holders of any class of Shares or debentures of the Company, or otherwise in connection with the business of the Company, or to receive salaries in respect of their service as Directors as may be recommended by the compensation committee and determined by the board of Directors, or a combination partly of one such method and partly another, provided that any such determination shall be in accordance with the Applicable Public Company Rules.

30.3 Unless prohibited by the Statute, the Articles or by the Applicable Public Company Rules, a Director may act on behalf of the Company to the extent authorized by the Company. Such Director or his firm shall be entitled to such remuneration for professional services as if he were not a Director.

30.4 A Director who engages in conduct either for himself or on behalf of another person within the scope of the Company's business, shall disclose to Members, at a general meeting prior to such conduct, a summary of the major elements of such interest and obtain the ratification of the Members at such general meeting by a Supermajority Resolution vote. In case a Director
engages in business conduct for himself or on behalf of another person in violation of this provision, the Members may, by an Ordinary Resolution, require the disgorgement of any and all earnings derived from such act, except when at least one year has lapsed since the realization of such associated earnings.

30.5 A Director who has a personal interest in the matter under discussion at a meeting of the Directors, shall disclose to the meeting the material information of such interest. A Director who has a conflict of interest which may 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. In the event of a merger and acquisition by the Company, the Director who has a personal interest in the transaction of such merger and acquisition shall explain to the board of Directors meeting and the shareholders meeting the material contents of such personal interest and the reason(s) of approval or objection to the resolution of such merger or acquisition.

31 Minutes
The Directors shall cause minutes to be made in books kept for the purpose of all appointments of officers made by the Directors, all proceedings at meetings of the Company or the holders of any class of Shares and of the Directors, and of committees of Directors including the names of the Directors present at each meeting.

32 Delegation of Directors' Powers

32.1 Subject to the Applicable Public Company Rules, the Directors may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to any managing director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him provided that the appointment of a managing director shall be revoked forthwith if he ceases to be a Director. Any such delegation may be made subject to any conditions the Directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee of Directors shall be governed by the Articles regulating the proceedings of Directors, so far as they are capable of applying.

32.2 The Directors may establish any committees or appoint any person to be a manager or agent for managing the affairs of the Company and may appoint any person to be a member of such committees. Any such appointment may be made subject to any conditions the Directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of any such committee shall be governed by the Articles regulating the proceedings of Directors, so far as they are capable of applying.

32.3 The Directors may by power of attorney or otherwise appoint any person to be the agent of the Company on such conditions as the Directors may determine, provided that the delegation is not to the exclusion of their own powers and may be revoked by the Directors at any time.

32.4 The Directors may by power of attorney or otherwise appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or authorised signatory of the Company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under the Articles) and
for such period and subject to such conditions as they may think fit, and any such powers of attorney or other appointment may contain such provisions for the protection and convenience of persons dealing with any such attorneys or authorised signatories as the Directors may think fit and may also authorise any such attorney or authorised signatory to delegate all or any of the powers, authorities and discretions vested in him.

32.5 The Directors shall appoint a chairman and may appoint such other officers as they consider necessary on such terms, at such remuneration and to perform such duties, and subject to such provisions as to disqualification and removal as the Directors may think fit. Unless otherwise specified in the terms of his appointment an officer may be removed by resolution of the Directors.

32.6 Notwithstanding anything to the contrary contained in Articles 32.1 to 32.9, unless otherwise permitted by the Applicable Public Company Rules, the Directors shall establish an audit committee comprised of all of the Independent Directors, one of whom shall be the chairman, and at least one of whom shall have accounting or financial expertise. A resolution of the audit committee shall be passed by one-half or more of all members of such committee. The rules and procedures of the audit committee shall be in accordance with policies proposed by the members of the audit committee and passed by the Directors from time to time, which shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules and the instruction of the FSC or TWSE, if any. The Directors shall, by a resolution, adopt a charter for the audit committee in accordance with these Articles and the Applicable Public Company Rules.

32.7 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 of Directors for resolution:

(a) Adoption or amendment of an internal control system of the Company;

(b) Assessment of the effectiveness of the internal control system;

(c) Adoption or amendment of handling procedures for significant financial or operational actions, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees on behalf of others;

(d) A matter where a Director has a personal interest;

(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-type securities;

(h) The hiring or dismissal of an attesting certified public accountant, or the compensation given thereto;

(i) The appointment or removal of a financial, accounting, or internal auditing officer;

(j) Annual and semi-annual financial reports;

(k) Any other matters so determined by the Company from time to time or required by any competent authority overseeing the Company; and
(I) Any other matters in accordance with the Applicable Public Companies Rules.

Except for item (j) above, any matter under subparagraphs (a) through (k) of the preceding paragraph that has not been approved with the consent of one-half or more of the audit committee members may be undertaken only upon the approval of two-thirds or more of all Directors, without regard to the restrictions of the preceding paragraph, and the resolution of the audit committee shall be recorded in the minutes of the Directors meeting.

32.8 The Directors shall establish a remuneration committee in accordance with the Applicable Public Company Rules. The number of members of the remuneration committee, professional qualifications, restrictions on shareholdings and position that a member of the remuneration committee may concurrently hold, and assessment of independence with respect to the members of the remuneration committee shall comply with the Applicable Public Company Rules. The remuneration committee shall comprise of no less than three members, one of which shall be appointed as chairman of the remuneration committee. The rules and procedures for convening any meeting of the remuneration committee shall comply with policies proposed by the members of the remuneration committee and approved by the Directors from time to time, provided that the rules and procedures approved by the Directors shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules and any directions of the FSC or TWSE. The Directors shall, by a resolution, adopt a charter for the remuneration committee in accordance with these Articles and the Applicable Public Company Rules.

32.9 The remuneration referred in the preceding Article shall include the compensation, salary, stock options and other incentive payment to the Directors and managers of the Company. Unless otherwise specified by the Applicable Public Company Rules, the managers of the Company for the purposes of this Article 32.9 shall mean executive officers as defined by the rules and procedures governing the remuneration committee.

33 Seal

33.1 The Company may, if the Directors so determine, have a Seal. The Seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors. The use of Seal shall be in accordance with the use of Seal policy adopted by the Directors from time to time.

33.2 The Company may have for use in any place or places outside the Cayman Islands a duplicate Seal or Seals, each of which shall be a facsimile of the common Seal of the Company and kept under the custody of a person appointed by the Directors, and if the Directors so determine, with the addition on its face of the name of every place where it is to be used.

33.3 A person authorized by the Directors may affix the Seal over his signature alone to any document of the Company required to be authenticated by him under seal or to be filed with the Registrar of Companies in the Cayman Islands or elsewhere wheresoever.

34 Dividends, Distributions and Reserve

34.1 The Company shall set aside no more than 2% of its annual profits as bonus to employees of the Company and set side no more than 1% of its annual profits as bonus to Directors, provided however that the Company shall first offset its losses in previous years that have not been previously offset. The distribution of bonus to employees may be made by way of cash or Shares, which may be distributed under an incentive programme approved pursuant to Article 11.1 above.
The employees under Article 34.1 may include certain employees of the Subsidiaries who meet the conditions prescribed by the Company. The distribution of bonus to employees shall be approved by a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors and shall be reported to the Members at the general meeting. A Director who also serves as an executive officer of the Company and/or its Subsidiaries may receive a bonus in his capacity as a Director and a bonus in his capacity as an employee.

34.2 As the Company is in the growing stage, the dividend distribution may take the form of a cash dividend and/or stock dividends and shall take into consideration the Company’s capital expenditures, future expansion plans, and financial structure and funds requirement for sustainable development needs etc. Unless otherwise required by the Statute and the Applicable Public Company Rules, the Directors shall prepare a proposal for distribution of profits in accordance with the procedures and sequence set out below and submit such proposal for the Members’ approval by an Ordinary Resolution at any general meeting should there be profits upon a final annual accounting of the Company for a fiscal year:

(a) the proposal shall begin with the Company’s Annual Net Income after tax;
(b) offset its losses, if any, that have not been previously offset;
(c) set aside a statutory capital reserve of 10% in accordance with the Applicable Public Company Rules except where the statutory surplus reserve has already reach the Company’s paid-in capital;
(d) set aside a special capital reserve or reversal in accordance with the Applicable Public Company Rules or as requested by the authorities in charge; and
(e) after deducting the aforementioned amounts listed in subsection (a) to (d) from the profits of the current year, the distributable profits shall include the accumulated profits not distributed previously. A proposal for distribution of profits shall be submitted by the Directors for the Members’ approval at a general meeting pursuant to the Applicable Public Company Rules prior to distribution. Distribution of Dividends may be made by way of cash dividends and/or stock dividends and the total amount of Dividends shall not be lower than 10% of the profits of the then current year after deducting the aforementioned amounts listed in subsection (a) to (d), and the percentage of cash dividends to be distributed shall not be less than 10% of the total amount of Dividends.

34.3 Subject to the Statute, this Article and the Applicable Public Company Rules, the Directors may declare Dividends and distributions on Shares in issue and authorise payment of the Dividends or distributions out of the funds of the Company lawfully available therefor. No Dividend or distribution shall be paid except out of the realised or unrealised profits of the Company, or out of the share premium account or as otherwise permitted by the Statute.

34.4 Except as otherwise provided by the rights attached to Shares, all Dividends shall be declared and paid in proportion to the number of 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 Dividend accordingly.

34.5 Subject to the Statute, the Articles and the Applicable Public Company Rules, the Directors may deduct from any Dividend or distribution payable to any Member all sums of money (if any) then payable by him to the Company on any account.
34.6 Subject to the Statute, the Articles and the Applicable Public Company Rules, the Directors may, after obtaining an Ordinary Resolution, declare that any distribution other than a Dividend be paid wholly or partly by the distribution of specific assets and in particular of shares, debentures, or securities of any other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the basis of the value so fixed in order to adjust the rights of all Members and may vest any such specific assets in trustees as may seem expedient to the Directors.

34.7 Any Dividend, distribution, interest or other monies payable in cash in respect of Shares may be paid by wire transfer to the holder or by cheque or warrant sent through the post directed to the registered address of the holder. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

34.8 No Dividend or distribution shall bear interest against the Company.

34.9 Subject to the Statute, the Articles and the Applicable Public Company Rules, any Dividend which cannot be paid to a Member and/or which remains unclaimed after six months from the date of declaration of such Dividend may, in the discretion of the Directors, be paid into a separate account in the Company's name, provided that the Company shall not be constituted as a trustee in respect of that account and the Dividend shall remain as a debt due to the Member. Any Dividend which remains unclaimed after a period of six years from the date of declaration of such Dividend shall be forfeited and shall revert to the Company.

35 Capitalisation
Subject to Article 14.2(d), the Directors may capitalise any sum standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve fund) or any sum standing to the credit of profit and loss account or otherwise available for distribution and to appropriate such sum to Members in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of Dividend and to apply such sum on their behalf in paying up in full unissued Shares for allotment and distribution credited as fully paid-up to and amongst them in the proportion aforesaid. In such event the Directors shall do all acts and things required to give effect to such capitalisation, with full power to the Directors to make such provisions as they think fit such that Shares shall not become distributable in fractions (including provisions whereby the benefit of fractional entitlements accrue to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all of the Members interested into an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

36 Tender Offer
After the receipt of the copy of a tender offer application form, prospectus and relevant documents by the Company or its litigation or non-litigation agent appointed, the board of the Directors shall handle the relevant matters pursuant to the Applicable Public Company Rules.
37 Books of Account

37.1 The Directors shall cause proper books of account to be kept with respect to all sums of money received and expended by the Company and the matters in respect of which the receipt or expenditure takes place, all sales and purchases of goods by the Company and the assets and liabilities of the Company. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

37.2 The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Directors or by the Company in general meeting.

37.3 The Directors may from time to time cause to be prepared and to be laid before the Company in general meeting profit and loss accounts, balance sheets, group accounts (if any) and such other reports and accounts as may be required by the Statue, the Articles and the Applicable Public Company Rules.

37.4 Subject to applicable law, after the Company becomes a public reporting company, minutes and written records of all meetings of Directors, any committees of Directors, and any general meeting shall be made in the Chinese language with an English translation. In the event of any inconsistency between the Chinese language version and the relevant English translation, the Chinese language version shall prevail, except in the case where a resolution is required to be filed with the Registrar of Companies of Cayman Islands, in which case the English language version shall prevail.

37.5 Subject to the Statute, 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 year. However, if a Member initiates 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 year.

38 Notices

38.1 Notices shall be in writing and may be given by the Company to any Member either personally or by sending it by courier, post, cable, telex, or e-mail to him or to his address as shown in the Register of Members (or where the notice is given by e-mail by sending it to the e-mail address provided by such Member). Any notice, if posted from one country to another, is to be sent by airmail.

38.2 Where a notice is sent by courier, service of the notice shall be deemed to be effected by delivery of the notice to a courier company, and shall be deemed to have been received on the third day (not including Saturdays or Sundays or public holidays) following the day on which the notice was delivered to the courier. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre paying and posting a letter containing the notice, and shall be deemed to have been received on the fifth day (not including Saturdays or Sundays or public holidays) following the day on which the notice was posted. Where a notice is sent by cable, or telex, service of the notice shall be deemed to be effected by properly addressing and
sending such notice and shall be deemed to have been received on the same day that it was transmitted. Where a notice is given by e-mail service shall be deemed to be effected by transmitting the e-mail to the e-mail address provided by the intended recipient and shall be deemed to have been received on the same day that it was sent, and it shall not be necessary for the receipt of the e-mail to be acknowledged by the recipient.

38.3 A notice may be given by the Company to the person or persons which the Company has been advised are entitled to a Share or Shares in consequence of the death or bankruptcy of a Member in the same manner as other notices which are required to be given under the Articles and shall be addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address supplied for that purpose by the persons claiming to be so entitled, or at the option of the Company by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

38.4 Notice of every general meeting shall be given in any manner hereinbefore authorised to every person shown as a Member in the Register of Members on the record date for such meeting and every person upon whom the ownership of a Share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a Member of record where the Member of record but for his death or bankruptcy would be entitled to receive notice of the meeting, and no other person shall be entitled to receive notices of general meetings.

39  Winding Up

39.1 If the Company shall be wound up, and the assets available for distribution amongst the Members shall be insufficient to repay the whole of the share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the number of the Shares held by them. If in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst the Members in proportion to the number of the Shares held by them at the commencement of the winding up subject to a deduction from those Shares in respect of which there are monies due, of all monies payable to the Company. This Article is without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

39.2 If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Statute and in compliance with the Applicable Public Company Rules, divide amongst the Members in proportion to the number of Shares they hold the whole or any part of the assets of the Company in kind (whether they shall consist of property of the same kind or not) and may for that purpose value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any asset upon which there is a liability.

40  Financial Year

Unless the Directors otherwise prescribe, the financial year of the Company shall end on 31st December in each year and, following the year of incorporation, shall begin on 1st January in each year.
Transfer by way of Continuation

If the Company is exempted as defined in the Statute, it shall, subject to the provisions of the Statute and with the approval of a Special Resolution, have the power to register by way of continuation as a body corporate under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

Litigation and Non-Litigation Agent in the R.O.C.

Subject to the provisions of the Statute, the Company shall, by a resolution of the Directors, appoint or remove a natural person domiciled or resident in the territory of the R.O.C. to be its litigation and non-litigation agent in the R.O.C., pursuant to the Applicable Public Company Rules, and under which the litigation and non-litigation agent shall be the responsible person of the Company in the R.O.C. The Company shall report such appointment and any change thereof to the competent authorities in the R.O.C. pursuant to the Applicable Public Company Rules.

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Appendix 2

Green Seal Holding Limited

Guidelines for Acquisition and Disposal of Assets (Before Revision)

1. Purpose:
   To protect asset and to implement public disclosure of information. Guidelines for Acquisition and Disposal of Assets (“the Guideline”) are construed based on relevant laws and regulations to ensure that Green Seal Holding Limited (“the Company”) and its subsidiaries have rules to follow when making asset acquisitions and disposals.

2. Scope:
   Any acquisition and disposal of assets shall be conducted based on the Guidelines.
   2.1 Investments in stocks, government bonds, corporate bonds, financial notes, securities representing interest in a fund, depository receipts, call (put) options, beneficiary securities and asset-backed securities.
   2.2 Real properties and equipment.
   2.3 Membership.
   2.4 Patents, copyrights, trademarks, franchise rights and other intangible assets.
   2.5 Bonds issued by financial institutions (including AR, Bills Purchased & Discounted, Loans and Collections).
   2.6 Derivatives.
   2.7 Assets acquired or disposed based on legal merger, split, acquisition or share transfer.
   2.8 Other major assets.
3. Responsibilities:

The Company and its subsidiaries shall abide to this Guideline for related matters.

4. Definitions

4.1 Derivatives: Refers to forward contract, option contract, futures contract, leverage margin contract, exchange contract and combination of any of the abovementioned contracts whose values are derived from assets, interest rates, exchange rates indexes or other interest bearing products. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

4.2 Assets acquired or disposed through mergers, splits, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, splits, or acquisition or transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares").

4.3 Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

4.4 Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.

4.5 Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment
for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.

5. Appraisal and Operating procedures:

5.1 Audited financial report must be obtained by Finance Department prior to transaction date as a reference to valuation of the securities to be acquired or disposed whether the underlying securities is deemed long or short term securities investments. Related cost and benefit analysis and risk analysis need to be conducted. When acquiring fixed assets or other assets, capital expenditure plan, purpose of acquisition or disposal, expected benefits must be conducted by related departments. If the transaction is a related party transaction, it must be done based on Section 5.3 of the Guideline.

5.2 Acquisition and Disposal of Securities

Securities investments acquired or disposed on the stock exchange or over the counter, the Company shall provide information on the targeted investments and divestments such reasons for acquisition or disposal and valuation to the Company’s designated authorities for approval in ascending order. Securities investments not acquired or disposed on the stock exchange or over the counter, the Company shall provide information on the targeted investments and divestment such as reasons for acquisition or disposal, valuation, transaction parties, transfer price, payment conditions, valuation reference etc. to the General Manager for approval and then to Board of Directors for resolution. Also, if the transaction amount exceeds 20% of the Company’s paid-in capital or NT$300 million or above, the Company shall obtain an opinion from certified public accountant on the reasonableness of the valuation prior to the date of occurrence of the event. If the accountant’s opinion is based on professional report, the report shall be in accordance with the provisions of Statement of Auditing Standards No. 20 published by the
ROC Accounting Research and Development Foundation (ARDF). Where securities investments to be acquired or disposed have market prices in active trading markets or where otherwise provided by the governing agency, then these requirements are not applicable.

5.3 Acquisition and Disposal of Real Estate Assets and Equipment

i. Acquisition and Disposal of Real Estate Assets

Valuation of Real Estate asset must be determined based on the present value announced by government agency, appraisal value, nearby Real Estate asset actual transaction value and etc. And final price and terms of transaction shall be determined by price comparison, price negotiation or tender offer method and shall be approved first by General Manager and then by the board of directors.

ii. Acquisition and Disposal of Equipment:

(1) Acquisition and Disposal of Operational Equipment:

A. When the transaction amount reaches 20 percent of the company’s paid-in capital or NT$300 million or more, the transaction shall be submitted for approval in advance by the board of directors.

B. When the transaction does not exceed the abovementioned amount, approvals must be obtained in sequential order from related department heads stated on the company’s organization chart before executing the transaction.

(2) Acquisition and Disposal of Non-operational Equipment: approval from the board of directors must be obtained before execution.
iii. When acquiring or disposing of real property or equipment, where the transaction amount reaches 20 percent of the company's paid-in capital or NT$300 million or more, the company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:

1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; in the future when there is subsequent change to the transaction same procedures need to be applied.

2. Where the transaction amount is NT$1 billion or more, appraisals from two or more professional appraisers shall be obtained.

3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.

B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.

(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

iv. When acquiring or disposing memberships, transaction price shall take into consideration of the asset’s future appreciating value and beneficiary effects. Single transaction or accumulated transactions not exceeding NT$10 million, General Manager’s approval is required. Single transaction or accumulated transactions exceeding NT$10 million (inclusive), board of directors’ approval is required. Where the transaction amount reaches 20 percent of the company’s paid-in capital or NT$300 million or more, the company, unless transacting with a government agency, shall obtain an appraisal report prior to the date of occurrence of the event from a certified public accountant who shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF).

v. When acquiring or disposing intangible assets such as patent, copy rights, trade mark, and charter right, transaction price shall take into consideration of future revenue and profit streams, technical development and innovation, legal protections, authorization and execution status. The transaction must be first approved by General
Manager and then by the board of directors. Where the transaction amount reaches 20 percent of the company's paid-in capital or NT$300 million or more, the company, unless transacting with a government agency, shall obtain an appraisal report prior to the date of occurrence of the event from a certified public accountant who shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF).

vi. Acquisition of Non-operating real estate assets and the limits on the investment of securities:

(1) Accumulated acquisition value of non-operating real estate assets shall not exceed 5% of the company's net worth. Accumulated acquisition value of non-operating real estate assets by all subsidiaries shall not exceed 5% of the company's net worth.

(2) Accumulated securities investment shall not exceed 20% of the company's net worth. Accumulated securities investment by all subsidiaries shall not exceed 20% of the company's net worth. Operating subsidiaries' securities investment shall not exceed 50% of the company's net worth.

(3) Investment in one single security shall not exceed 200% of the company's net worth. Investment in one single security by the Company's controlled subsidiary shall not exceed 200% of the company's net worth. Investment in one single security by operating subsidiary shall not exceed 50% of the company's net worth.

(4) When acquiring or disposing intangible assets, transaction value must not exceed 20% of the company's net worth. Each subsidiary when acquiring or disposing intangible assets, transaction value must not exceed 20% of the company's net worth.
(5) Abovementioned (1)~(4) securities investment shall be valued at cost.

vii. Limitations on Professional Appraisers:

Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions May not be a related party or de facto related party of any party to the transaction.

viii. Where a public company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

ix. Processes for Related Party Acquisition and Disposal of Real Assets and Assets:

(1) When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section. When judging whether the transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

(2) When the Company intends to acquire or dispose of real property thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more, except in trading of government bonds or bonds
under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been recognized by 1/2 the audit committee and approved by the board of directors. If the transaction is not approved by 1/2 of the audit committee, it can be executed with the approval of 2/3 of board of directors and recorded in the Audit Committee Meeting Minutes the following:

A. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.

B. The reason for choosing the related party as transaction counterparty.

C. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17.

D. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and the transaction counterparty’s relationship to the Company and its subsidiaries.

E. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.

F. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.

G. Restrictive covenants and other important stipulations associated with the transaction.
The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 7.1 (iv), paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the audit committee need not be counted toward the transaction amount.

When acquiring or disposing operational equipment, between the Company and its parent or subsidiaries, or between its subsidiaries the Company's board of directors may pursuant to delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting. When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors 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.

(3) When the Company acquires real property from a related party shall evaluate the reasonableness of the transaction costs by the following means:

A. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the
property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.

B. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

Where land and structures thereupon are combined as a single property purchased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.

When the Company acquiring real property thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the preceding two paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.

(4) Where the Company acquires real property from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with ix.2 of the Guideline and the ix.3 does not apply:

A. The related party acquired the real property thereof through inheritance or as a gift.

B. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property thereof to the signing date for the current transaction.
C. The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.

(5) When the results of the Company's appraisal conducted in accordance with ix.3.1 and ix.3.2 are uniformly lower than the transaction price, the matter shall be handled in compliance with vi of the Guideline. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

A. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:

a. Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.

b. Transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring property, where
size and transaction terms of the property are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale practices.

c. Rental or Leasing transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring property, where size and transaction terms of the property are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard rental/lease property market practices.

B. When the Company and its subsidiaries acquiring real property through purchase, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.

Transactions involving neighboring or closely valued properties in the preceding paragraphs in principle refer to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly size properties in principle refer to transactions completed by unrelated parties for properties with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year
preceding the date of occurrence of the acquisition of the real property.

(6) Where the Company and its subsidiaries acquire real property from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken:

A. A special reserve shall be set aside in accordance with the related regulations against the difference between the transaction price and the appraised cost of the real property and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.

B. The audit committee shall supervise over the execution of the transaction mentioned in the preceding paragraph. When exercising execution, the audit committee may survey the Company's business and financial situations, may check books and documents and may request the board of directors or managers to remit reports. When exercising supervision, independent directors may engage legal counsels or accountant on behalf of the Company for check and review.
C. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

When the Company has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased at a premium, or they have been disposed of, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and that the governing authority has given its consent.

When the Company obtains real property from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arms-length transaction.

5.4 Involving Derivative Transactions:

The Company and its subsidiaries shall conduct trading of derivative based on the Guidelines for Trading Derivatives.

5.5 Mergers, Splits, Acquisitions, and Transfer of Shares:

(1) The Company and its subsidiaries when conducting a merger, split, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and approval. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the
case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries’ issued shares or authorized capital.

(2) When the Company or its subsidiaries participate in a merger, split, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, split, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, split, or acquisition. Provided, where a provision of another act exempts the Company from convening a shareholders meeting to approve the merger, split, or acquisition, this restriction shall not apply. When the shareholders meeting of any one of the companies participating in a merger, split, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, split or acquisition shall immediately explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting via public announcement.

(3) The Company or its subsidiaries participating in a merger, splits, or acquisition shall convene a board of directors meeting and shareholders meeting on the same day as other parties involved in the transaction to resolve matters relevant to the merger, split, or acquisition, unless another act provides otherwise or the governing agency has granted consent in advance of due to extraordinary circumstances. The Company or its subsidiaries participating in a transfer of shares shall call a board of directors meeting on the same day as other parties involved in the transaction to resolve matters relevant to the transfer of shares, unless
another act provides otherwise or the governing agency has granted consent in advance of due to extraordinary circumstances.

The Company shall prepare a full written record of the following information and retain it for 5 years for reference:

A. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, split, acquisition, or transfer shares prior to public disclosure of the information.

B. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.

C. Important documents and minutes: Including merger, split, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings.

Based on related laws and regulations, the Company shall, within 2 days counting inclusively from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the governing agency for records and review.

(4) Every person participating in or privy to the plan for merger, split, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, split, acquisition, or transfer of shares.
(5) The Company or its subsidiaries participating in a merger, split, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, split, acquisition, or transfer of shares:

A. Cash capital increase and issuance of convertible corporate bonds, of bonus shares, of corporate bonds with warrants, of preferred shares with warrants, of stock warrants, or of other equity linked securities.

B. An action, such as a disposal of major assets, that affects the company's financial operations.

C. An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.

D. An adjustment where any of the companies participating in the merger, split, acquisition, or transfer of shares from another company, execute treasury stock purchase.

E. An increase or decrease in the number of entities or companies participating in the merger, split, acquisition, or transfer of shares.

F. Other terms/conditions stipulated by the contract have been altered and have been publicly disclosed.

(6) The contract for participation by the Company or its subsidiaries in a merger, split, acquisition, or transfer of shares shall record the rights and obligations of the companies participating in the merger, split, acquisition, or transfer of shares, and shall also record the following:

A. Handling of breach of contract.

B. Principles for the handling of equity-type securities or treasury stock issued by the acquired companies prior to merger or split.
C. The amount of treasury stock the participating companies are to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.

D. The manner of handling changes in the number of participating entities or companies.

F. Schedule for execution plan, and anticipated completion date.

G. Scheduled date for convening the legally mandated shareholders meeting and the relevant procedures, if the plan is not completed before the deadline.

(7) When the Company or its subsidiaries participated in merger, split, acquisition, or share transfer and when after public disclosure of the information, if any company participating in the merger, split, acquisition, or share transfer intends further to carry out a merger, split, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, split, acquisition, or share transfer; except that where the number of participating companies has decreased and a participating company’s shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.

(8) Where any of the companies participating in a merger, split, acquisition, or transfer of shares is not a publicly listed company or shares not traded over the counter, the Company and its subsidiaries shall sign agreements with the non-public companies and are required to abide by the provisions of Article 5.3, Article 5.4, and Article 5.7.

5.6 Transaction amounts in Article 5.2 and 5.3 are calculated based on Article 7.1.2 (iv). "Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Portions supported with professional
appraiser report or accountant’s opinion need not be counted toward the transaction amount.

6. Establishment and Revision of the Guidelines

6.1 After ratification by the Audit Committee, the Guidelines shall then be submitted for resolution by Board of Directors and then by Shareholder Meeting. Any written objections raised by board member shall be submitted to the Audit Committee and then to Shareholder Meeting for discussion. Same procedures applied when making subsequent revisions for the Guidelines. Any revision of the Guidelines after its enactment due to statute changes in the related laws and regulations shall be first approved by the Audit Committee, then by the Board of Directors and then by Shareholder Meeting.

6.2 When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors 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.

6.3 The enactment and revisions of the Guidelines shall be ratified by 1/2 of the audit committee, and then approved by the board of directors. If approval by 1/2 of the audit committee were not obtained, enactment and revisions can be executed with the approval of 2/3 of board of directors and recorded in the Board of Directors’ Meeting Minutes the resolution of the Audit Committee.

7. Information Announcement

7.1 Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the governing authority's
designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:

i. Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

ii. Merger, split, acquisition, or transfer of shares.

iii. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.

iv. Where equipment for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:

1. For public company whose paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more.

2. For public company whose paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more.

v. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the company expects to invest in the transaction reaches NT$500 million.
vi. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT$300 million; provided, this shall not apply to the following circumstances:

(1) Trading of government bonds.

(2) here done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics that are offered and issued in the primary market, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.

(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trusts.

The amount of transactions above shall be calculated as follows:

(1) Amount of each transaction.

(2) The cumulative transaction amount of acquisitions or cumulative amount of disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.

(3) Cumulative transaction amount of acquisitions or cumulative amount of disposals (cumulative acquisitions and disposals are calculated separately) of real property of the same development project within the preceding year.
(4) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

"Within the preceding year" in (2) refers to the year preceding the date of occurrence of the current transaction. Portions that have been disclosed publicly in accordance with the Guidelines need not be counted toward the transaction amount.

7.2 The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies. The information of the monthly derivative trading report shall be inputted in the prescribed format into the information reporting website designated by the governing authority by the 10th day of each month.

7.3 When the Company or its subsidiaries engaging in acquisition or disposal of assets make an error or omission at the time of making public announcement on items required by regulations that need to be publicly announced, the Company and its subsidiaries shall re-announce all items publicly one more time within two days counting inclusively from the date of knowing of such error or omission.

7.4 The Company or its subsidiaries, when acquiring or disposing of assets, shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.

7.5 Where any of the following circumstances occurs with respect to a transaction that a public company has already publicly announced and reported in accordance with Article 7.1 to 7.3, relevant information shall be made on the information reporting website designated by the governing authority within 2 days counting inclusively from the date of occurrence of the event:
i. Change, termination, or rescission of a contract signed in respect to the original transaction.

ii. The merger, split, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.

iii. Change to the originally publicly announced and reported information.

7.6 Unless otherwise exempted by other laws and regulations, the Company’s obligation to make public announcement becomes effective the date the governing authority approves its public offering of shares.

8. Supplementary

8.1 Information required to be publicly disclosed (announced) and reported in accordance with the 7th provisions of the Public Information on acquisitions and disposals of assets by a public company’s subsidiary that is not itself a public company in Taiwan shall be reported by the public company.

The paid-in capital or total assets of the Company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to 20% of paid-in capital or 10% of total assets, it reaches a threshold requiring public announcement and regulatory filing under Article7.1 paragraph 1.

8.2 Internal audit processes for acquisition and disposal of assets for the Company and its subsidiaries: when the Company’s internal audit personnel identifies any material violation, a written notification shall be sent to General Manager of the Company or General Manager of its subsidiaries, and the General Managers shall monitor the progress of corrections of the violation.

8.3 Punishment shall be imposed on those who violate the Guidelines in accordance to the Company’s human resource guidelines.

8.4 Any unmentioned matters in the Guidelines shall adhere to the latest laws and regulations.
8.5 For the calculation of 10 percent of total assets mentioned in the Guidelines, the securities issuer’s the total assets stated in the latest financial report prepared under the regulations governing the Preparation of Financial Reports shall be used.

8.6 In the case of the Company whose shares have no par value or a par value other than NT$10—for the calculation of transaction amounts of 20 percent of paid-in capital under these Regulations, 10 percent of equity attributable to owners of the parent shall be substituted.

8.7 The Guide was established on June 13, 2013.

First revision was made on June 25, 2014.
Second revision was made on June 16, 2017.
1. Purpose

To enforce management of derivatives transactions and lower management risks, Green Seal Holding Limited ("the Company") has established the Guidelines for Trading Derivatives ("the Guidelines") based on relevant laws and regulations.

2. Scope

Any acquisition and disposal of derivatives shall be conducted based on the Guidelines.

3. Responsibilities

The Company shall abide with the Guidelines for related matters.

4. Definition

4.1 Derivatives refers to forward contract, option contract, futures contract, leverage margin contract, exchange contract and combination of any of the abovementioned contracts whose values are derived from assets, interest rates, exchange rates indexes or other interest-bearing products. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

4.2 The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

5. Operational Content

5.1 Trading Principals and Strategies

5.1.1 The Company may only engage in the trading of Spot, Forward, Option and Swap type of currency related derivatives.
5.1.2 The derivatives that the Company engages in may only be for hedging purposes so as to limit the Company’s net amount of exposure to risk after netting of account receivable against account payable, asset against debt, in terms of due date, amount and currency type. Related hedging transactions may be executed after approvals by the Company authority delegation in ascending order. Reports on transaction executions must be reported to the next Board of Directors meeting.

5.1.3 Authorized amount and level of delegation shall be approved by the Board of Directors and where any director vetoed the proposal and set it in the record, the Company shall submit the record to the Audit Committee.

5.1.4 When engaging in trading of derivatives, the Company’s net position shall not exceed the net foreign currency position of operating inflow of foreign currency against foreign currency denominated debt. Furthermore, all or any single contract loss is capped at 10% of the contractual value. Any change shall be ratified by the Board of Directors.

5.1.5 The personnel in the department engaging in the trading of derivatives shall execute derivative transactions based on trading strategy construed from the terms of transactions agreed and cross the trade directly with the counter parties. After successful executions of the transactions, all statements shall be delivered to the settlement personnel to facilitate the settlement of the transaction. Settlement personnel shall sign contract, open account, and conduct delivery and settlement with the counter parties based on the transaction terms.

5.1.6 When engaging in trading of derivatives, the Company shall establish a department that creates information systems tracking the outstanding balance, the return analysis and etc. so as to manage risk and to signal immediate abnormality.

5.2 Authorization and Delegation

5.2.1 The Company’s Finance Department

(1) Estimate total amount needed for hedging.
(2) Collect market data, determine trends and risk and garner keen knowledge of financial products, of product related rules and regulations, of trading techniques. Execute the trade according to the instruction of person in charge and the authorized exposure to avoid the risk of price volatility.

5.2.2 The Company’s Internal Audit Department

Periodically audit on the transaction balance and profit to make sure the transaction is within the contractual value and the upper limited of loss as described in article 5.1.4.

5.2.3 The Company’s Accounting Unit

(1) Provide data on risk exposed position

(2) Measurement, supervision and control of risk trading

5.3 Operational Procedure for Financial Derivatives

5.3.1 Confirmation of positions to be traded

5.3.2 Related trend analysis and judgment

5.3.3 Decide on specific practices for risk aversion

(1) Transaction target

(2) Transaction Position

(3) Price Target and Price Range

(4) Trading Strategies and Types

5.3.4 Approval for obtaining the position

5.3.5 Execution of the transaction

(1) Counter Parties: Limited to financial institutions legally formed domestically or internationally.

(2) Trade Execution Personnel: The Company’s execution personnel shall be designated only, and shall be approved by the authorized delegate. The
Company shall notify the financial institutions that only designated personnel are allowed to conduct transactions.

(3) Trade Confirmation: After the execution of trades, the trade execution personnel shall fill out related forms and submit them and related documents to the designated personnel for confirmation that the terms of transaction and the trades executed were in uniformity. Final approval for the execution of the trades must be obtained from the authorized delegate after confirmation from the designated personnel.

(4) Settlement: After trading confirmation is made, the Finance Department shall have designated personnel prepare settlement amount and related documents to proceed with the settlement.

5.3.6 Accounting Record

5.4 Accounting Procedures

5.4.1 Accounting for trading of derivatives shall be in accordance with the International Financial Reporting Standards (“IFRSs”)

5.4.2 When preparing periodic consolidated financial reports, the Company shall footnote trading of derivatives per purposes of the trades inside the financial statements as prescribed by IFRSs.

5.4.3 Asides from general note, the Company shall also note the following when dealing with trading of derivatives with hedging purposes.

(1) Hedge against existing asset or debts
   (A) Amount hedged against asset or debt. The type(s) of derivatives chosen for hedging.
   (B) Amount recorded for gain or loss on the hedge and deferred gain or loss on the hedge.

(2) Hedges against expected events (including confirmed future trade and unconfirmed but expected events in the future)
(A) Description on the event(s)
(B) Types of derivatives engages and their descriptions
(C) Deferred hedging gains or losses.

5.5 Internal Control

5.5.1 Risk Management Procedure: Following principals shall be adhered to address risks arose from trading of derivatives:

(1) Credit Risk
   (A) Counterparties: Renowned financial domestic or international institutions.  
   (B) Products to be traded: Products offered by renowned financial domestic or international institutions.  
   (C) Transaction Amount: Single counterparty’s open contract shall not exceed US$5,000,000.

(2) Market Price Risk Management: open foreign exchanges operated by banks are considered for the time being; commodity and futures markets not under consideration this time being.

(3) Liquidity Risk Management: To ensure liquidity, when choosing financial products, preference will be made on products with higher liquidity (positions can be closed anytime on the open market). Financial institution counterparties shall provide sufficient information and shall be equip with capacities to trade in any global markets. Before execution of transactions, the execution personnel shall confirm with the Finance Department to ensure trading limits.

(4) Cash Flow Risk Management: To ensure cash flow stability, the Company shall take into consideration of the cash flow for the next 3 month and shall use primarily the Company’s own equity when engaging in trading of derivatives.

(5) Operational Risks Management
   (A) Strictly adhere to authorized amount, operational procedure and internal audit to prevent operational risks.
(B) The respective functions of trading, confirmation, and settlement shall be performed by different personnel.

(C) Risk measurement, supervision, and control personnel shall be assigned from different departments and shall report to the Board of Directors or senior managers who are not in charge of trading or of making trading decisions.

(6) Product Risk Management: Trading personnel shall equip with correct knowledge for overall financial products. The Company shall require the counterparty financial institutions to reveal associate risks in full.

(7) Legal Risk Management: Any legal documents in respect to derivatives shall first be review by the legal counsel before execution to prevent legal risks.

5.6 Evaluations

5.6.1 The Board of Directors shall designate senior management from departments other than Finance Department to regularly review the supervision and control of trading of derivative products based on internal audit provisions. Periodic evaluation of performance shall be conducted to review the degree of consistency with the Company's established business strategy and the level of adequacy of the current risk tolerance.

When the designated senior management in the preceding paragraph identifies abnormality, he or she shall take necessary actions and report immediately to the Board of Directors, where at least one independent director shall attend the meeting and shall express an opinion.

5.6.2 Derivative positions held shall be evaluated at least once a week. A bi-weekly report in connection with the hedging transaction associated with the Company's business shall be submitted to the senior management designated by the Board of Directors for review.
5.6.3 Senior management designated in 5.6.1 by the Board of Directors shall review periodically the level of adequacy of the current risk control procedure and the degree of consistency with the principles and procedures set forth herein.

5.6.4 When abnormalities are identified from observing market price and are evaluated to create material loss, the senior management designated in 5.6.1 shall take necessary actions and report immediately to the Board of Directors, where at least one independent director shall attend the meeting and shall express an opinion.

5.7 The Company, when engaging in derivatives trading, shall establish a log book in which details of the types and amounts of derivatives trading engaged in, the dates the Board of Directors approvals are obtained, and the matters requiring careful evaluation and shall be recorded in detail in the log book.

5.8 Internal Audit

5.8.1 The Company’s internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit, and prepare an audit report for review by the personnel designated by the board of directors. If any material violation were discovered, a notification shall be sent to the audit committee in writing. Moreover, castigation shall be imposed on those who violate the Guides.

5.8.2 Internal audit report and Correction Progress of Abnormal Items shall be reported to the governing authority periodically.

5.9 Public Announcement

5.9.1 The Company shall report and make a public announcement of the context of derivative trading of itself and its subsidiaries for the preceding month before the 10th day of each month.

5.9.2 When the Company or its subsidiaries record losses of more than 10% of contractual values of the derivative products, or when amendment, termination or release from contractual relationship occurs, the Company shall, within 2 days
counting inclusively from the date of occurrence, report in the prescribed format the information to the governing agency.

5.9.3 When the Company at the time of public announcement makes an error or omission in the projects required by regulations to be publicly announced, the Company shall make correction on all the projects and shall re-announce publicly one more time based on Article 5.9.1 and 5.9.2.

5.9.4 Unless otherwise exempted by other laws and regulations, the Company’s obligation to make public announcement becomes effective the date the governing authority approves its public offering of shares.

5.10 Castigation

Castigation shall be imposed on those who violate the Guidelines in accordance to the Company’s human resource guidelines.

5.11 Implementations and Amendments:

5.11.1 After ratification by the Audit Committee, the Guidelines shall then be submitted for resolution by Board of Directors and then by Shareholder Meeting. Any written objections raised by board member shall be submitted to the Audit Committee and then to Shareholder Meeting for discussion. Same procedures applied when making subsequent revisions for the Guidelines. Any revision of the Guidelines after its enactment due to statute changes in the related laws and regulations shall be first approved by the Audit Committee, then by the Board of Directors and then by Shareholder Meeting.

5.11.2 When the Guidelines is submitted for discussion by the board of directors 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.

5.11.3 The enactment and revisions of the Guidelines shall be ratified by 1/2 of the audit committee, and then approved by the board of directors. If approval by 1/2
of the audit committee were not obtained, enactment and revision can be executed with the approval of 2/3 of board of directors and recorded in the Board of Directors’ Meeting Minutes the resolution of the Audit Committee.

5.11.4 The Company’s subsidiary when engaging in trading of derivatives, the Company shall request the subsidiaries establish guidelines for trading of derivatives and submit the guidelines the subsidiary’s audit committee and/or board of directors and/or shareholder meeting for approval and then implementation. When the Company’s subsidiary engages in trading of derivative, the subsidiary is required to submit on regular basis the related data to the Company for review.

5.11.5 The Guide was enacted on June 13, 2013 and revision was ratified on June 25, 2014.
Appendix 4

Green Seal Holding Limited
Guidelines for Lending of Capital (Before Revision)

1. Purpose
To enforce management of lending capital and lower management risks, Green Seal Holding Limited (“the Company”) has established the Guidelines for Lending Capital (“the Guidelines”) based on relevant laws and regulations. Any unmentioned matters in the guideline shall adhere to the latest laws and regulations.

2. Scope
The Guidelines shall apply to the Company and its subsidiaries.

3 · Responsibilities
3.1 The Company and its subsidiaries shall abide with the Guidelines for related matters.

4 · Definitions
None

5 · Processes
None.

6. Operational Content
6.1. Entities and Lending Caps
6.1.1 The Company shall not loan funds to any of its shareholders or any other person. The Company may loan to the following entities:

(1) Companies or entities that have business relations with the Company.

(2) Companies or Entities that short-term financing is necessary, provided that such financing amount shall not exceed 40% of the lender's net...
worth. The term "short-term" means one year, or one operating cycle (whichever that is longer). The term "financing amount" means the cumulative balance of the public company's short-term financing.

a) Companies in which the Company holds, directly or indirectly, 100% of the voting shares, with short-term operational financing needs.

b) Other companies or entities that requires short-term financing due to lack of working capital for operations or for purchasing.

6.1.2 For companies or entities that have business relations with the Company, cumulative capital lending balance shall not exceed 50% of the Company's net book value; single loan amount shall not exceed the most recent year or current year’s sales or purchase from the companies (whichever is higher).

6.1.3 Lending to companies or entities that have no business relations with the Company but loan arrangements are deemed necessary, lending amount is capped at 40% of the Company's book value. Single company or entity loan amount is capped at 20% of the Company's book value.

6.1.4 Short-term loans shall not exceed one year counting from the date of contract, where interest rates shall not be lower than the banks short term interest rates on loans and interest payment shall be collected on monthly basis.

6.1.5 The restriction in 6.1.3 shall not apply to short term loans to the Company's overseas subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares. However, the lending amount shall not exceed 60% of the Company's book value and the book value is based on the most recent audited financial report by certified public accountant.

6.1.6 Interest rates for short term loans to the Company’s overseas subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares, shall be based on the interest rates for 1 year savings deposit and interest payment shall be made annually.

6.2 Application Procedures
6.2.1 The borrower shall submitted company data and financial reports along with “Loan Application”.

6.2.2 After receiving the loan application, the finance division shall conduct due diligence on the borrower’s business, financial conditions, loan repayment capability, credit, profit generating capabilities and use of the loan and make a written report. Evaluation on the borrower shall include at least the following:

(1) Necessity and rationale for the loan
(2) Financial conditions on the borrow to determine whether the loan is of necessity
(3) Cumulative loan balance does not exceed the legal cap.
(4) Effects of the loan to the Company’s operation, finance and shareholder’s value.
(5) Determine whether collateral is needed and whether the underlying collateral requires professional appraisal.
(6) Provide reports on the borrower’s credit and risk analysis

6.2.3 After credit check, if the borrower is evaluated to be of poor credit, the designate personnel is the finance division shall report the reasons for decline to the General Manager for approval and reply the borrower as soon as possible. If the borrower is evaluated to be of good credit and the purpose of the loan is deem proper, the designate personnel is the finance division shall construe a credit report enclosing the terms of loan to be approved by authorized delegates in ascending order up to the General Manager. After approval by the General Manager, ratification by the Board of Directors is required.

6.3 Approval

6.3.1 Prior to making a capital lending, the Company may not engage other firms to do the evaluation on its behalf, must conduct the evaluation by itself to see if the lending complies with the Guideline. The result of self-done evaluation need to be submitted to authorized delegate for review and for final approval by the Board of Directors.
6.3.1.1 Capital lending between the Company and its subsidiaries or among its subsidiaries shall be approved by the Board of Directors in accordance with the Guidelines. The Board of Directors can authorize the chairman to approve lending to the same party in different intervals during one year within lending cap or to approval one year revolving loan to the same party. Lending cap mentioned in this paragraph, aside from exceptions in 6.1.5., shall not exceed 10% of the book value of the Company, based on the most recent financial report.

6.3.1.2 Lending to other borrowers shall be proposed to the Board of Directors for approval one at a time. When lending capital, 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.

6.3.3 The designated personnel in the finance department shall reply the borrower if the Board of Directors rejects the lending after credit check and evaluation.

6.4 Loan Appropriation

6.4.1 The designated personnel in the finance department shall contact borrower via mail or telephone as soon as possible, to relate the terms of the loan, including amount, duration, interest rate, collateral and guarantor etc., and shall request the borrower to sign contract within a designated period and complete all formalities and procedures.

6.4.2 The borrower shall issue a check with the borrowing amount to the Company and the check shall be cashed on the day of repayment of the loan.

6.4.3 Terms of loan shall be detailed in a contract, approved by the authorized delegate before signing of the contract. If deemed necessary, the contract shall be reviewed by legal counsel before signing.

6.4.4 Content of the contract shall not be different from the terms of loan agreed; thus, the designated personnel in the finance department shall conduct securities check procedure after the borrower and the guarantor sign the contract.
6.4.5 If the collateral is required, the borrower shall proceed with legal pledging procedure.

6.4.6 Fire Insurance shall be made on all collateral except land and securities. Full insurance coverage shall be made on ship and vehicles. Amount insured shall not be lower than the value of collateral and the beneficiary of the insurance shall be the Company. Name, number, location, insurance terms and order shall match that of the loan contract. When placing building as collateral, the location of the building shall be marked accordingly if at the time of pledging, address of the building is not yet assigned. The designated personnel in the finance department shall notify the borrower to renew insurance before expiration.

6.4.7 Loan can be appropriated once borrowing terms are approved, contract is signed, collateral is pledged and all data are verified as correct.

6.5. Loan Repayment

6.5.1 After loan appropriation, the Company shall monitor closely the borrower and the guarantor’s financial conditions, business and credit conditions. Supervisions shall be made on collateral to check on any change to the value of the collateral pledged. The Company shall notify the borrower a month before due date of the loan for payment of interests, repayment of loan, and/or renewal of loan.

6.5.2 After repay all interest and loan, the Company will return the check to the borrower and nullify or return all types of debt certificates provided by the borrower.

6.5.3 When the borrower applied for lien cancellation, the Company shall check to see if there are any outstanding loan balance before agrees to the cancellation.

6.5.4 The borrower shall repay loan and interests immediately the loan terms.

6.6. Records and Safekeeping

6.6.1 The finance department shall record all lending activities on “Loan Record”, including the name of borrower, amount, the date the Board of Directors approved the loan, date of contract, date of expected repayment, up-to-date cumulative amount and
value of collateral. The record shall also contain action items prescribed by the Guidelines.

6.6.2 After loan appropriation, the designated personnel in the finance department shall seal the contract, the check, the related debt certificates, collateral, insurance policy, and related documents into an envelope and written on the envelope the name of the borrower and the content of the envelope. The personnel and the authorized delegate shall sign or stamp at where the seal is made. Log shall be made on safekeeping record and the envelope shall be stored properly.

6.7. Notes

6.7.1 The Company's internal audit personnel shall conduct a quarterly audit on the suitability of the Guidelines and its implementation, and prepare an audit report for review. If any material violation were discovered, a notification shall be sent to the Audit Committee in writing.

6.7.2 The Company shall set a correctional implementation plan and submit it to the Audit Committee and shall complete the correctional implementation by planned dates.

6.7.3 The personnel shall prepare a report, on the context of lending of capital for the preceding month on or before the 10th day of each month, for review in ascending order by the authorized delegates.

6.7.4 The Company shall evaluate lending of capital, make sufficient reserve for allowance for bad debts, make note on the financial report and provide related material to certified public account for audit and review.

6.8. The Company's subsidiaries when engaging in lending of capital, shall adhere to procedures of the Guidelines herein.

6.9. Public Announcement

6.9.1 The Company shall make public announcements of its capital lending activities based on related laws and regulations.
6.9.2 The Company shall make public announcement for its non-Taiwan registered subsidiaries if the subsidiaries are required to make any lending of capital public announcement. The calculation for the subsidiary's outstanding capital lending balance to book value ratio shall be the subsidiary's outstanding capital lending balance to the Company’s book value.

6.9.3 When the Company at the time of public announcement makes an error or omission in the projects required by regulations to be publicly announced, the Company shall make correction on all the projects and shall re-announce publicly one more time based on Article 5.9.1 and 5.9.2.

6.10 Castigation shall be imposed on those who violate the Guidelines in accordance to the Company's human resource guidelines.

6.11 Approval Procedure for This Guidelines

6.11.1 After ratification by the Audit Committee, the Guidelines shall then be submitted for resolution by Board of Directors and then by Shareholder Meeting. Any written objections raised by board member shall be submitted to the Audit Committee and then to Shareholder Meeting for discussion. Same procedures applied when making subsequent revisions for the Guidelines. Any revision of the Guidelines after its enactment due to statue changes in the related laws and regulations shall be first approved by the Audit Committee, then by the Board of Directors and then by Shareholder Meeting.

6.11.2 When the Guidelines submitted for discussion by the board of directors 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.

6.11.3 The enactment and revisions of the Guidelines shall be ratified by 1/2 of the audit committee, and then approved by the board of directors. If approval by 1/2 of the audit committee were not obtained, enactment and revision can be executed with the
approval of 2/3 of board of directors and recorded in the Board of Directors’ Meeting Minutes the resolution of the Audit Committee.

6.11.4 The Guidelines was enacted on June 13, 2013.
Appendix 5

Green Seal Holding Limited

Guidelines for Endorsement and Guarantee (Before Revision)

1. Purpose

To enforce management of endorsement and guarantee and lower management risks, Green Seal Holding Limited (“the Company”) has established the Guidelines for Lending Capital (“the Guidelines”) based on relevant laws and regulations. Any unmentioned matters in the guideline shall adhere to the latest laws and regulations.

2. Scope

The Guidelines shall apply to endorsement and guarantee by the Company and its subsidiaries.

3. Responsibilities

The Company and its subsidiaries shall abide with the Guidelines for related matters.

4. Definitions

4.1 Financing Endorsement or Guarantee: Refers to Invoice factoring, endorsements or guarantees for another companies, or endorsements/guarantees for the notes issued by the Company to non-financial institutions or entities for the Company’s own financing needs.

4.2 Endorsement or Guarantee of Custom Duties: Refers to endorsements or guarantees of the Company’s or other companies customs duties.

4.3 Other endorsements or guarantees: Refers to those endorsements or guarantees that cannot be classified into two types mentioned in the preceding paragraph (for example, real estate assets pledged by the Company as collateral of the loan on behalf of another company).

4.4 Subsidiaries: Referred to the Company’s subsidiaries set up in accordance with Accounting Standard Number 5 and Number 7 of the Accounting Research and Development Foundation.
5. Processes
None

6. Operational Content

6.1 Entities for Endorsement and Guarantee

6.1.1 The Company may provide endorsement and guarantee for the entities prescribed below:

(1) Companies that have business relations with the Company.

(2) Companies in which the Company holds, directly or indirectly, 50% of the voting shares.

(3) Companies that hold directly or indirectly, 50% of the voting shares of the Company.

6.1.2 The Company may provide endorsement and guarantee for companies in which its holding, directly or indirectly, reaches more than 90% of voting shares.

6.1.3 Where all capital contributing shareholders make endorsement and guarantee for their jointly invested company in proportion to their respective shareholding, the Company shall be exempted from the restrictions set forth in the preceding paragraph.

6.1.4 Capital contribution in the preceding paragraph refers to capital contributed directly or indirectly by the Company, or through a company or companies in which the Company holds 100% of the voting shares.

6.1.5 The Company shall not provide endorsement and guarantee for companies with the following characteristics:

(1) Companies or entities whose actions may bring unfavorable consequences towards the Company.

(2) Companies or entities with poor debt repayment record or with records of debt disputes.

(3) Companies or entities with poor credit rating
(4) Cumulative endorsement/guarantee amount exceeds the limit.
(5) Not within the scope prescribed by the Board of Directors

6.2 Amount Limits on Endorsements and Guarantees

(1) The aggregate amount of endorsements/guarantees provided by the Company shall not exceed 50% of the net worth of the Company.

(2) The amount of endorsements/guarantees provided by the Company for any single entity shall not exceed 10% of the net worth of the Company.

(3) The Company may provide endorsement and guarantee for companies in which its holding, directly or indirectly, reaches more than 90% of voting shares; however, the cumulative amount of endorsements/guarantees may not exceed 10% of the Company’s net worth. Exemption applies to companies in which the Company holds 100% voting shares, directly or indirectly.

(4) The endorsement or guarantee amount shall not exceed total amount of transactions (the higher of the revenue or the purchase shall apply) between the companies to be endorsed or guaranteed and the Company in the preceding year.

(5) The aggregate amount of endorsements or guarantees provided by the Company and its subsidiaries shall not exceed 50% of the Company’s net worth.

(6) The aggregate amount of endorsements or guarantees provided by the Company and its subsidiaries for any single entity shall not exceed 20% of the Company’s net worth.

(7) The aggregate amount of endorsements or guarantees provided by the Company to any of its 100% owned (directly or indirectly) subsidiaries shall not exceed 100% of the Company’s net worth of that period.

6.3 Procedures for Handling Endorsement/Guarantee

6.3.1 Qualifying companies shall submit “Endorsement / Guarantee Application” detailing the name of company, items to be endorsed or guaranteed, amount, date
and conditions for removal of endorsements or guarantees and basic company data as well as financial data to the Finance Department for review.

6.3.2 When reviewing the application, the Finance Department shall conduct credit check and risk analysis. Evaluation shall include necessity, rationale, proper amount to be endorsed or guaranteed, effects on the Company's operations, financial conditions and shareholder values, need for collateral and value of the collateral etc. Exemption applies to companies in which the Company holds 100% voting shares, directly or indirectly.

6.3.3 The Finance Department personnel shall compile evaluation report along with related documents and submit them to the authorized delegate for approval.

6.3.4 Corporate Chop Safekeeping: Corporate chop designated for endorsements or guarantees shall be kept by the personnel approved the Board of Directors and shall be used in accordance with the Guideline. Where the Company endorses or guarantees a foreigner individuals in terms of letter, the letter shall be signed by the designated personnel approved by the Board of Directors.

6.3.5 The Finance Department shall record all endorsement and guarantees on “Loan Endorsements and Guarantees Record”, including the name of companies endorsed or guaranteed, the amount, the date the Board of Directors approval, the date of approval by authorized delegate, period of endorsement and guarantee, action items prescribed by the Guidelines, collateral and their values, the date and conditions for removal of endorsements or guarantees.

6.3.6 When the company being endorsed or guaranteed make loan repayment, “Loan Endorsements and Guarantees Nullification” shall be submitted to the Company along with repayment records. The Company shall record the repayment record on “Loan Endorsements and Guarantees Record”.

6.3.7 The Accounting Unit shall assess and recognize, if any, contingent losses brought about by endorsements/guarantees, based on Number 9 of Standard Financial Reporting, to adequately disclose information in the financial statements, and to
provide auditors with necessary information for conducting due auditing and issuing auditing report

6.3.8 Where the Company or its subsidiaries endorse or guarantee for subsidiary whose net worth is below 50% of issued capital, evaluations shall be conducted on regular basis on the related risks and shall be submitted to authorized delegate for review in order to manage endorsement/guarantee related risks.

6.4 Approval for Endorsements and Guarantees

Endorsements and guarantees shall not be made prior to Board of Directors’ approval. In the absence of board meeting, the Chairman with the authorization of the Board of Directors shall approve endorsements and guarantees of authorized limit. Endorsement and guarantees done by the above-mentioned manner shall be reported to the next Board of Director’s meeting for ratification and report to the Shareholder meeting for review.

When providing endorsement or guarantee, 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.

For subsidiaries that the Company holds more than 90% voting shares, approval from the Board of Directors shall be obtained prior to making endorsement or guarantee for the subsidiaries based on 6.2.3. Exemption applies to companies in which the Company holds 100% voting shares, directly or indirectly.

6.5 Notes:

6.5.1 The Company’s internal audit personnel shall conduct a quarterly audit on the suitability of the Guidelines and its implementation, and prepare an audit report for review. If any material violation were discovered, a notification shall be sent to the Audit Committee in writing.
6.5.2 The Company shall set a correctional implementation plan and submit it to the Audit Committee and shall complete the correctional implementation by planned dates.

6.5.3 In case the above limits have to be exceeded to accommodate business needs, a resolution of the Board of Directors should be obtained and over half of all the directors should jointly endorse the potential loss that may be brought about by the excess of limits. The Board of Directors should also revise the Procedures and has it ratified at the Shareholders' Meeting. If the revised Procedures are not ratified at the Shareholders' Meeting, the Board of Directors should furnish a plan containing a timetable to withdraw the excess portion. The Board of Directors shall take into full consideration each independent director's opinions when discussion the issue mentioned above; 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.

6.5.4 If the aggregate amount of endorsements/guarantees that is set as the ceiling for the Company and its Subsidiaries as a whole reaches more than 50% of the Company’s net worth, an explanation of the necessity and reasonableness thereof shall be provided to the Shareholders’ Meeting.

6.6 Public Announcement

6.6.1 The Company shall make public announcement of its endorsement and guarantee activities based on related laws and regulations.

6.6.2 The Company shall make public announcement for its non-Taiwan registered subsidiaries if the subsidiaries are required to make any endorsement and guarantee public announcement.

6.6.3 Unless otherwise exempted by other laws and regulations, the Company’s obligation to make public announcement becomes effective the date the governing authority approves its public offering of shares.

6.7 Castigation shall be imposed on those who violate the Guidelines in accordance to the Company's human resource guidelines.
6.8 Guarantee Seeking: When the Company requires other companies to act as guarantor, or be mutual guarantors for each other, the Financial Department shall draft a document to be approved by the Board of Directors and then mailed the document as well as safekeeping the record.

6.9 Procedures for Enactment of the Guidelines

6.9.1 After ratification by the Audit Committee, the Guidelines shall then be submitted for resolution by Board of Directors and then by Shareholder Meeting. Any written objections raised by board member shall be submitted to the Audit Committee and then to Shareholder Meeting for discussion. Same procedures applied when making subsequent revisions for the Guidelines. Any revision of the Guidelines after its enactment due to statue changes in the related laws and regulations shall be first approved by the Audit Committee, then by the Board of Directors and then by Shareholder Meeting.

6.9.2 When the Guidelines submitted for discussion by the board of directors 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.

6.9.3 The enactment and revisions of the Guidelines shall be ratified by 1/2 of the audit committee, and then approved by the board of directors. If approval by 1/2 of the audit committee were not obtained, enactment and revision can be executed with the approval of 2/3 of board of directors and recorded in the Board of Directors’ Meeting Minutes the resolution of the Audit Committee.

6.9.4 The Guidelines was enacted on June 13, 2013.
Appendix 6

Green Seal Holding Limited

Rules for Elections of Directors

1・Purpose
Election of Board of Directors shall adhere to the Rules for Elections of Directors herein, unless otherwise provided in other laws, regulations or articles.

2・Scope
None

3・Responsibility
3.1 The Company shall abide with the Guidelines for the election of Board of Directors.

4・Definition
None

5・Procedures
None

6・Operational Content

6.1 Qualification and Nomination of Directors
6.1.1 Election of directors shall take into consideration of overall board structure. The composition of the board of directors shall take diversity into consideration, and shall formulate diversified policies based on the company’s business operations, operating dynamics, and development needs, including, without being limited to, the following two general standards:

a) Basic Requirements and Values: Gender, age, nationality, and culture.
b) Professional knowledge and skills: Professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skills, and industry experience.

6.1.2 Members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

a) Ability to make operational judgments
b) Ability to perform accounting and financial analysis
c) Management Ability
d) Crisis Management Ability
e) Knowledge of the industry (s)
f) International Market Perspectives
g) Leadership Ability
h) Decision Making Ability

Spousal relationship or familial relationship within the second degree of kinship may not exist among more than half of the directors of the Company.

Structure of the Board of Directors shall adjusted base on results of evaluation.

6.2 Election of Directors shall base on cumulative voting system, where each share shall have voting rights equivalent to the number of seats to be elected, and such voting rights can be combined to vote for one person or be divided to vote for multiple persons.

6.3 The election of independent and non-independent directors shall be held together, provided however, that votes shall be calculated separately. The election of independent director shall be guided by related laws and regulations. When the number of independent director falls below lawful requirements, election for additional independent directors shall be held in the next Shareholder Meeting. When all
independent directors are dismissed of their tenure, an interim Shareholder Meeting shall be convened to elect new directors within 60 days from the date of occurrence.

6.4 Election of Directors of the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192.1 of the Company Act.

6.5 When a director is dismissed causing the total number of directors to fall below 5 persons, the Company shall hold election in the next Shareholder Meeting. If the number of existing directors is falls below 1/3 of designated seats, an interim Shareholder Meeting shall be convened within 60 days from the date of occurrence to elect new directors.

6.6 The number of directors for the board is specified in the Company's Articles of Incorporation, with voting rights separately calculated for independent and non-independent director. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes received. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

6.7 Before the election begins, the chair shall appoint a number of persons with to perform duties of vote monitoring and vote counting. The ballot boxes shall be prepared by the Company and publicly checked by the vote monitoring personnel before voting commences. The vote monitoring personnel shall be appointed from among the shareholders.

6.8 Ballots are prepared by the Board of Directors, candidates may use numbers on the attendance card and its voting rights.

6.9 If a candidate is a shareholder, the candidate's name and shareholder number need to be entered in the "candidate" column of the ballot; for a non-shareholder, the candidate's full name and identity card number shall be entered.

6.10 However, when the candidate is a legal entity, the name of the legal entity shall be entered in the column for the candidate's name in the ballot; or both the name of
the legal entity and the name of its representative shall both be entered. When there are multiple representatives, the names of each respective representative shall be entered.

6.11 A ballot is invalid under any of the following:

6.11.1 Ballots not prepared by the Company.

6.11.2 The number of candidates entered in the ballot exceeding the number of the seats to be elected.

6.11.3 Other words or marks are entered in addition to the candidate’s account name or shareholder number (or identity card number) and the number of voting rights allotted.

6.11.4 The writing is illegible or has been altered

6.11.5 When the candidate is a shareholder, the name and shareholder number entered on the ballot for the candidate do not match with those recorded in the shareholder registrar; or when the candidate is not a shareholder, name and identity card number of the candidate entered on the ballot is incorrect.

6.11.6 Blank ballot placed in the ballot box

6.11.7 Ballots not placed in the ballot box

6.11.8 The total votes cast by the voter exceeding the total voting rights of such voter.

6.11.9 The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder number or identity card number is provided in the ballot for identification.

6.12 The ballot should be calculated during the meeting immediately after the vote casting and results of the election shall be announced by the Chairman at the meeting, including names of the elected and respective votes received.

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

6.14 These Rules and any revision thereof shall become effective after approval at the Shareholders’ Meeting. When there are statute changes, revisions of these Rules shall be done accordingly, and shall be approved first by the Board of Directors then by the Shareholder Meeting.
Appendix 7

Green Seal Holding Limited

Rules and Procedures for Shareholders Meeting

1. Purpose

To establish a strong governance system, to strengthen supervisory functionalities and managerial capabilities for the Company’s shareholders meetings, the Rules and Procedures for Shareholders Meeting (“the Rules”) are adopted.

2. Scope

Shareholders meeting of the Company shall be conducted in accordance with the Rules, except as otherwise provided in other laws and regulations.

3. Scope of Responsibility

3.1 Group: Responsible for implementation and revision of the Rules.

4. Definitions

None

5. Procedures

None

6. Operational Content

6.1 Convening shareholders meetings and shareholders meeting notices

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

6.1.2 The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders meeting or 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 21 days before the date of the regular shareholders meeting or 15 days before the date of the special shareholders meeting. In addition, 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 any time. The meeting agenda and supplemental materials shall also be displayed at the Company office and at the professional shareholder services agent’s office. The meeting agenda and supplemental materials shall also be distributed on-site at the meeting place.

6.1.3 The reasons for convening a shareholders meeting, the time allotted for shareholder attendance registrations, the location for attendance registration, and other matters for attention shall be specified in the meeting notice and public announcement. The time allotted for shareholder attendance registrations shall be at least 30 minutes prior to the time the Meeting commences. The location for attendance registrations shall be clearly marked. Sufficient number of suitable personnel shall be assigned to handle the registrations. With the consent of the addressee, the meeting notice may be given in electronic form.

6.1.4 (a) Election or dismissal of directors or supervisors, (b) amendments to the articles of incorporation, (c) dissolution, merger, or split of the Company, (d) implement, revise or terminate contracts on the Company’s leases, (e) sale of all or partial business or assets, (f) or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or (i) issuance of securities via private placement and (j) issuance of securities under Articles 56-1 and 60-2 shall be set out in the notice as the reasons for convening the shareholders meeting. None of the above matters may be raised as extraordinary motions.
6.1.5 A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when proposals submitted by shareholder are not related to items requiring resolution by the Meeting, or the shareholder submitting the proposal does not hold 1%, or more at the book closure date, or the proposal is submitted not within the designated time, the Board of Directors may exclude it from the agenda.

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

6.1.7 Proposals submitted by shareholders are limited to 300 words, and no proposal containing more than 300 words shall 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.

6.1.8 Prior to the date of issuance of shareholder meeting notice the Company shall inform the shareholders who submitted proposals of the screening results. The Company shall include in the meeting notice the proposals that conform to the provisions. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

6.2 Proxy

6.2.1 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 name of proxy and the scope of the proxy's authorization.

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

6.2.3 After a proxy form has been delivered to the Company, 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 this Corporation 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.

6.3 Convening Shareholders Meeting

6.3.1 Shareholders meeting shall be held at the place and time determined by the Board of Directors unless otherwise stated by other laws and regulations. The shareholders meeting shall be held in Republic of China; if the meeting is held outside of Republic of China, all related laws and regulations shall be abided. When the meeting is held outside of Republic of China, a professional shareholder services agent must be engaged. 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.

6.3.2 Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. The Company 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.

6.3.3 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.
6.3.4 When the government or an entity is a shareholder, it may be represented by more than one representative at a shareholders meeting. When an entity is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

6.3.5 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise its respective powers, the chairperson shall appoint one of the board of directors to act as chair. If there are no director appointed, or the appointed director is unable to exercise the responsibilities, the board of directors shall be elect one among themselves to act as chair. When electing director to act as chair, preferences shall be given to the one who has held the director position for more than six months and has good understanding of the business and financials of the Company. The same shall be applied to the representative of the entity elected to serve as chair.

6.3.6 It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and be attended by majority of the board of directors, where at least one independent director present, and at least one member of each functional committee. The attendance shall be recorded in the meeting minutes.

6.3.7 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 among themselves.

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

6.4 Commencement of Shareholders Meeting

6.4.1 Attendance of 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.

6.4.2 The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent 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 holding the Shareholder meeting is a necessity, then Rules shall be followed to convene another meeting.

6.5 Discussion of Proposals

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

6.5.2 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.

6.5.3 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.

6.5.4 The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair believes that a proposal has been discussed
sufficiently to put it to vote, the chair may announce the discussion closed and call for a vote.

6.6 Shareholder Speech

6.6.1 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.

6.6.2 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.

6.6.3 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.

6.6.4 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.

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

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

6.7 Calculation of Voting Shares and Recusal System

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

6.7.2 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.
6.7.3 When a shareholder is a related party to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, the shareholder shall not vote on that item, and shall not exercise voting rights as proxy for any other shareholder for that item.

6.7.4 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.

6.7.5 When a trust or a shareholder services agent, approved by the governing securities authority, 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 exceeding 3%, the voting rights in excess of that percentage shall not be included in the calculation.

6.8 Voting

6.8.1 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.

6.8.2 When the Company holds a shareholders meeting, the Company may allow the shareholders to exercise voting rights by correspondence or electronic means. When the Company holds a shareholder meeting outside of Republic of China, the Company shall allow the shareholders to exercise voting rights by correspondence or electronic means. 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 the Company avoid the submission of extraordinary motions and amendments to original proposals.

6.8.3 A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of
intent to this Corporation 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.

6.8.4 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.

6.8.5 Except as otherwise provided in the Company Act and the Company's articles of association, the passage of a proposal shall require an affirmative vote of majority of the voting rights 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.

6.8.6 Aside from items on the agenda, any proposal raised by the shareholders at the meeting whether original or amendments to the original proposal on the agenda, seconded by other shareholders is required.

6.8.7 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 as rejected, and no further voting shall be required.
6.8.8 Vote monitoring and vote counting personnel for a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

6.8.9 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.

6.9 Election

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

6.9.2 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, the ballots shall be retained until the conclusion of the litigation.

6.10 Meeting Minutes

6.10.1 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.

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

6.10.3 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 the Company.

6.10.4 Beginning from the time it accepts shareholder attendance registrations, the
Company 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, the recording shall
be retained until the conclusion of the litigation.

6.11 Public Disclosure

6.11.1 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 a
clear disclosure at the shareholders meeting.

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

6.11.3 Unless otherwise exempted by other laws and regulations, the Company's
obligation to make public disclosure becomes effective the date the governing
authority approves its public offering of shares.

6.12 Maintaining Order at the Meeting Place)

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

6.12.2 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."
6.12.3 At the place of shareholders meeting, if a shareholder attempts to speak through any device other than the equipment set up by the Company, the chair may prevent the shareholder from so doing.

6.12.4 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.

6.13 Recess and Resumption of Shareholders Meeting

6.13.1 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.

6.13.2 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.

6.13.3 A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days.

6.13.4 Shareholder shall not elect a chair after meeting adjourned to continue the meeting at the same location or another location.

6.14 The Rules and Procedures for Shareholder Meeting, and any amendments hereto, shall be implemented after adoption by shareholders meetings. Amendments to the Rules shall be made to address any statute change in the future and shall be approved first by the Board of Directors and then by the Shareholders Meeting.

6.15 The Rules were enacted on June 13, 2013.
Appendix 8

Green Seal Holding Limited
Directors’ Shareholding

1. The Company’s Total Shares Issued: 163,350,000 Common Shares
2. No supervisor positions as the Company has established Audit Committee.
3. As of ex-record date for Shareholder Meeting (April 22, 2019), Shareholder Registrar shows the following:

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Shares Held</th>
<th>Holding Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>Wong, Chit Fu (Note)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(58,367,892 shares held by Zun Xiang Investments Limited, where Mr. Wong is the sole shareholder)</td>
<td></td>
</tr>
<tr>
<td>Director</td>
<td>Mou, Qing Ying</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Director</td>
<td>Lau, Cho Yiu</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Independent Director</td>
<td>Shieh, ChangPying</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Independent Director</td>
<td>Lin, Te Jen</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Independent Director</td>
<td>Lin, Tao</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Note: Chairman Wong does not have shares held under his name but he holds shares via 100% own Zun Xiang Investments Limited; as of April 22, 2019, the company holds 58,367,892 ordinary shares.
Appendix 9

Other Explanatory Notes

1. Effects of Stock Dividend on the Company’s Performance, Earning Per Share and Return on Shareholder Equity: No dividend is approved for 2018, thus no effect.

2. Explanations on Proposals by Shareholders for 2019 Shareholders Meeting

   A. Based on Article 172-1 of the Company Act, 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. However, such proposals are limited to one item only, and are limited to 300 words; otherwise, the board of directors may exclude them from the agenda. The shareholder making the proposal shall be present in person or by proxy at the shareholders meeting and take part in discussion of the proposal.

   B. Period in which proposals from shareholders are accepted: Starting 9:00am April 12 and ending at 5:00pm on April 22, 2019.

   C. No proposals were received during the above stated period.