

# Articles of Incorporation of ZIG SHENG INDUSTRIAL CO., LTD.

## Chapter 1 General Provisions

**Article 1** The Company shall be incorporated as a company limited by shares under the Company Act and its name is Zig Sheng Industrial Co., Ltd.

**Article 2** The scope of businesses of the company shall be as follows :

1. Various fibers 、 synthetic fibers 、 spinning and weaving of nylon filament 、 dyeing and finishing 、 textile printing 、 processing 、 trade export 、 bidding and agency business.
2. Entrust the construction company to develop the industrial zone approved by the competent industrial authority.
3. Commissioned construction manufacturers to build national residential and commercial buildings for rental and sale.
4. Bowling course, skating rink, golf driving range (less than five holes), amusement park (except gambling), swimming pool, tennis court, riding range, etc.
5. Production, sales and import and export business of fiber raw materials in petrochemical industry.
6. Production, sales, import and export business of polyester bottle and polyester film.

All business items that are not prohibited or restricted by law, except those that are subject to special approval.

**Article 3** The Company is incorporated in Taoyuan city, the Board of Directors may by resolution approve the establishment of domestic and international branches where it deems necessary.

**Article 4** The Company may provide endorsements and guarantees to the external depending upon the business needs. The operation procedure thereof shall be handled according to the Endorsement and Guarantee Policies of the Company.

**Article 4-1** The total investment amount of the Company may exceed forty percent of the paid-in capital by Board of Directors' resolution.

## Chapter 2 Share Capital

**Article 5** The Company's authorized capital is NTD 8 billion, which is divided into 800 million shares. Each share carries a face value of NTD 10, and the Board of Directors has been authorized to issue them in

installments.

**Article 6** For the shares issued by the Company, the printing of share certificates may be exempted; however, they shall be registered with the Centralized Securities Depository Enterprises.

**Article 7** Registration of share transfer shall be closed within 60 days prior to Regular meeting of shareholders, or within 30 days prior to Special meeting of shareholders or within 5 days prior to the record date on which Company distributes the dividends or bonuses.

### **Chapter 3 Shareholders' Meeting**

**Article 8**

- 1 Shareholders' meeting shall be of the following two kinds:
  - (1) Regular meeting of shareholders: shall be held once a year within 6 months of the end of the Company's financial year.
  - (2) Special meeting of shareholders: to be held in accordance with the law.
- 2 A shareholders meeting shall, unless otherwise provided for in Company Act, be convened by the Board of Directors.

**Article 8-1** 30 days prior to the convention of the Regular meeting of shareholders, and 15 days prior to the convention of the Special meeting of shareholders, a notice indicating the date, location of the meeting and the reason of convention shall be issued to each shareholder in writing or may be informed via electronic method upon the consent of the counterparty; provided that for shareholders with the holding of less than 1,000 shares, announcement method may be adopted.

**Article 8-2** Deleted.

**Article 9** Unless otherwise stipulated by the Company Act and the Articles of Incorporation, shareholders' meeting shall be conducted in accordance with the Company's Meeting Rules of Shareholders.

**Article 10** Except when otherwise regulated by the Company Act, a shareholders' meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

**Article 11** If a shareholder is unable to attend a meeting, the shareholder may, in accordance with the Article 177 of the Company Act, the company shall issue a power of attorney issued by the company, stating the scope of the authorization, and entrust the agent to attend.

**Article 11-1** Each share of stock owned by shareholders shall be entitled for one vote, except for those shares without voting rights as set forth in Article 179, paragraph 2 of the Company Act.

When a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the company, otherwise, the portion of excessive voting power shall not be counted.

**Article 12** Resolutions made in a shareholders' meeting shall be recorded in the meeting minutes and shall be prepared, preserved and issued to all shareholders according to Article 183 of the Company Act.

#### **Chapter 4 Directors , Audit Committee and Managerial Personnel**

**Article 13** The Company shall have nine directors ( including three independent directors ), the list of candidates for a term of 3 years and may be re-elected. The total number of registered shares held by all of the directors shall not be less than the percentage specified by the competent authority according to the laws.

Directors shall be elected by adopting candidate nomination system in accordance with the Article 192-1 of Company Act. A shareholder shall elect from the nominees listed in the roster of candidates.

The election of Independent and non-Independent Directors should be held together. Moreover, in order to ensure the election of at least two Independent Directors of each election, the Independent and non-Independent Directors elected should be calculated separately.

Pursuant to Article 14-4 of the Securities and Exchange Act, the Company will establish an Audit Committee. The Audit Committee shall make up of the entire number of Independent Directors, is responsible of executing powers relegated to supervisors by the Company Act, and other laws and regulations. The organizing members, exercise of powers and other matters to be abided by the Audit Committee shall follow related laws, regulations or rules or regulation of the Company. The organization regulations of the Audit

Committee shall be adopted by the Board of Director.

**Article 14** When the number of vacancies of directors reaches one third of the total number of directors or when all of the independent directors are discharged, the Board of Directors shall convene an extraordinary shareholders' meeting within sixty days to fill the vacancies, and the term of office thereof shall be limited to fulfill the unexposed term of office of the predecessor.

**Article 15** Deleted.

**Article 16** The Board of Directors organizing the Board of Directors' meeting shall exercise the authorities of the directors according to the laws, and shall be attended by more than two-thirds of the directors along with the consents of the majority of the attending directors in order to elect a Chairman among the directors, the Chairman for the execution of all Company's businesses, and shall externally represent the company.

**Article 17** Unless otherwise stipulated by the Company Act and the Articles of Incorporation, the board of directors' meeting shall be conducted in accordance with the Company's regulations for the Board of Directors' meeting.

**Article 18** Unless otherwise provided in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the Directors at a meeting attended by a majority of the Directors.  
If the Director is unable to attend the Directors' meeting, may authorize another director to act on behalf in a Board meeting, but such authorization is limited to one person only.

**Article 19** Resolutions made in the Board of Directors' meeting shall be recorded in the meeting minutes and shall be prepared, preserved and issued to all Directors according to Article 207 of the Company Act.

**Article 20** Deleted.

**Article 21** Regardless of the profit or loss, the company will pay the director's travel expenses of NT \$10,000 per person on a monthly basis.

**Article 22** If a director of this company holds a position in the company, in addition to distributing the remuneration to the director in

accordance with the articles of association, he may be paid monthly salary according to the level of a class of managers.

**Article 23** This corporation may employ accountants and lawyers as consultants according to the needs of its business, and the appointment, removal and remuneration of such consultants shall be submitted to the board of directors for approval.

**Article 23-1** The Company may have one or more managerial personnel; appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with Article 29 of the Company Act.

**Article 23-2** The Company shall take out liability insurance for Directors and officers with respect to their liabilities resulting from exercising their duties during their terms of occupancy.

## **Chapter 5 Accounting**

**Article 24** The accounting fiscal year of the Company shall start from January 1 to December 31, and settlement shall be performed at the end of each fiscal year.

For the settlement of the Company, the Board of Directors shall prepare the business report, financial statement and proposal on distribution of surplus earnings or loss of-setting according to the Company Act, and shall submit to the Audit Committee for auditing thirty days prior to the convention of ordinary shareholders' meeting, in order to issue a report for submission to the shareholders' meeting for approval.

**Article 25** The distribution of shareholders' dividend shall take into consideration the changes in the outlook for the Company's businesses, the lifespan of the various products or services that have an impact on future capital needs and taxation. Shareholders' dividend shall be distributed aimed at maintaining the stability of shareholders' dividend distributions of the Company Act. The board of directors measures the capital demand in the future year, and comprehensively considers the profit status, financial structure and the degree of dilution of earnings per share, and formulates an appropriate proportion of cash and stock dividends. The proposal is submitted to the shareholders' meeting for approval.

**Article 26** 2% of profit of the current year should be distributed as employees' compensation and not more than 3% of profit of the current year should be distributed as Directors' remuneration in the case where there are profits for the current year. However, the Company's accumulated losses shall have been covered.

The distribution of employee bonus shall be adopted by the Directors present at the Board meeting before being reported to the shareholders' meeting.

The actual ratio and amount of the profit distributable as Directors' remuneration shall also be determined by compensation committee, and a report of such distribution shall be submitted to the shareholders' meeting.

**Article 26-1** If the company's year-end final accounts have a surplus, in addition to the income tax in accordance with the law, the losses should be made up first, and 10% is the statutory surplus reserve. In addition, according to the provisions of the competent authority, the special reserve shall be transferred or renewed, and the surplus shall not be distributed in the same year. Each year, the board of directors proposes to distribute the proposal.

If the company's surplus distribution is distributed in cash, according to paragraph 5 of Article 240 of the Company Act, the board of directors is authorized the distributable dividends after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and report to the shareholders' meeting; when it is to be distributed in the form of new shares, it shall be submitted to the shareholders' meeting for resolution before the distribution.

According to the provision of paragraph 1 of Article 241 of the Company Act, the legal reserve and the capital reserve, in whole or in part are distributed in cash; according to paragraph 5 of Article 240 of the Company Act, the distribution shall be made based on the resolution of a board of directors' meeting attended by more than two-thirds of directors with a majority of voting rights of the attending directors, which shall also be reported to the shareholders' meeting; when the distribution is made by issuing new shares, it shall be submitted to the shareholders' meeting for resolution before distribution.

## **Chapter 6 Supplementary Provisions**

**Article 27** All matters not covered herein shall be undertaken in accordance with the Company Act of the Republic of China and the other relevant law and regulations.

**Article 28** These Articles of Incorporation were established on July 31, 1969.  
The first amendment was made on August 7, 1972.  
The second amendment was made on May 14, 1974.  
The third amendment was made on October 19, 1977.  
The fourth amendment was made on March 24, 1981.  
The fifth amendment was made on October 11, 1983.  
The sixth amendment was made on August 10, 1984.  
The seventh amendment was made on August 17, 1987.  
The eighth amendment was made on January 21, 1991.  
The ninth amendment was made on May 23, 1991.  
The tenth amendment was made on April 10, 1992.  
The eleventh amendment was made on December 5, 1992.  
The twelfth amendment was made on May 2, 1994.  
The thirteenth amendment was made on April 17, 1995.  
The fourteenth amendment was made on September 23, 1996.  
The fifteenth amendment was made on April 26, 1997.  
The sixteenth amendment was made on April 28, 1998.  
The seventeenth amendment was made on May 22, 2000.  
The eighteenth amendment was made on June 13, 2001.  
The nineteenth amendment was made on June 12, 2002.  
The twentieth amendment was made on May 27, 2004.  
The twenty-first amendment was made on June 10, 2005.  
The twenty-second amendment was made on June 14, 2006.  
The twenty-third amendment was made on June 14, 2010.  
The twenty-fourth amendment was made on June 10, 2011.  
The twenty-fifth amendment was made on June 6, 2012.  
The twenty-sixth amendment was made on June 15, 2015.  
The twenty-seventh amendment was made on June 27, 2016.  
The twenty-eighth amendment was made on June 11, 2018.  
The twenty-ninth amendment was made on June 22, 2020.  
The thirtieth amendment was made on June 6, 2024.