

# **ABILITY ENTERPRISE CO., LTD**

## **Article of Incorporation**

### **Chapter 1 General Provision**

Article 1: The Company is organized in accordance with the Company Law and named as 佳能企業股份有限公司. 【English Name: ABILITY ENTERPRISE CO., LTD.】

Article 2: The Company Business Scope is listed as follows:

- 1 、CB01010 Manufacture of Machinery and Equipment
- 2 、CB01020 Manufacture of Office Machine
- 3 、CC01060 Manufacture of Wire Communications Machinery and Equipment
- 4 、CC01070 Manufacture of Wireless Communications Machinery and Equipment
- 5 、CC01080 Manufacture of Electronic Components
- 6 、CC01110 Manufacture of Computer and its Peripheral
- 7 、CC01120 Manufacture of Data Storage Device and Duplicate
- 8 、CE01030 Manufacture of Optical Instrument
- 9 、CE01990 Manufacture of other Optical and Precision Equipment
- 10 、E605010 Installation of Computer Equipment
- 11 、E701010 Telecommunication Engineering
- 12 、F113020 Wholesale of Electronical Appliances
- 13 、F113030 Wholesale of Precision Instrument
- 14 、F113050 Wholesale of Computer and Office Machines
- 15 、F113070 Wholesale of Telecommunication Equipment and Supply
- 16 、F114030 Wholesale of Automobile & Motorcycle Parts and Accessories
- 17 、F116010 Wholesale of Photographic Equipments and Accessories
- 18 、F118010 Wholesale of Software
- 19 、F119010 Wholesale of Electronical Parts and Accessories
- 20 、F213010 Retail of Electronical Appliance
- 21 、F213040 Retail of Precision Instrument
- 22 、F213060 Retail of Telecommunication Equipment and Supply
- 23 、F218010 Retail of Software
- 24 、F219010 Retail of Electronical Parts and Accessories
- 25 、F401010 International Trading
- 26 、F401021 Import of the Controlled Telecommunications Radio-Frequency Devices
- 27 、F601010 Intellectual Property Rights
- 28 、I301010 Software Services
- 29 、I301020 Data Processing Services
- 30 、I301030 Electronic Information Supply Service Industry
- 31 、ZZ99999 Except for the business restricted in licences, the Company can run the business of non prohibited or restricted.

Article 3 : The Company may, by resolution of the Board of Directors, provide external guarantees to other companies in the industry or among its affiliates.

Article 4 : The Company is situated in New Taipei City, Taiwan. The Company may establish, change or abolish branch offices domestically or overseas when necessary by the

resolution of the Board of Directors.

Article 5 : The Company shall make public announcements in accordance with Article 28 of the Company Act.

## **Chapter 2 Shares**

Article 6 : The total capital of the Company shall be NT\$8,000,000,000, divided as 800,000,000 shares with a par value of NT\$10 per share and shall authorize the Board of Directors to issue the shares in multiple tranches. Fifty million shares of the aforementioned total capital stock are reserved for the exercise of employee stock options, special share with warrant or corporate bonds with warrant.

Article 6-1 : After the consent of shareholders' meeting of attendant shareholders representing more than half of the total of issued shares and two thirds or more of attendant shareholders' voting rights, the Company may transfer to employees at an average price lower than the actual purchase of shares, or to issue employee stock option at a subscription price lower than the market price.

Article 6-2 : The Company may issue employee stock options, purchase right of newly issuing shares or acquire shares with restricted employee rights, which may be issued or transferred to employees under the Company's control or are subordinate to the Company, subject to certain conditions.

Article 7 : The transfer, inheritance, bestowal, pledge, loss, damage and other stock affairs of shares shall be handled in accordance with the Company Law and Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 8 : The shares of the Corporation are all registered shares which is signed and sealed by three or more directors. It is issued after being legally signed and verified.

The Company's issued shares may be free from printing, but they should be registered at centralized securities depository institution.

Article 9 : The transfer of shares shall be closed within 60 days prior to the date of the annual meeting of shareholders, within 30 days prior to the date of the interim meeting of shareholders, or within five days prior to the date on which the Company decides to distribute dividends and bonuses or other benefits.

Article 10 : When issuing new shares, the Company shall retain 10% to 15% of the total number of new shares to be issued, in addition to the gratis allotment of shares, to be purchased by employees of the Company, and the shares purchased by employees may be non-transferable in accordance with the resolution of the board of directors for a fixed period of time not exceeding two years.

Article 11 : The total amount of the Company's outward investment is not subject to the provisions of Article 13 of the Company Law and the Board of Directors is authorized to execute the same.

## **Chapter 3 Shareholders Meeting**

Article 12 : The shareholders' meeting can be divided into two types: ordinary and extraordinary. Ordinary meetings are held once a year, and are convened by the Board of Directors

within six months after the end of each fiscal year, unless there are justifiable reasons for not doing so as approved by the competent authorities, in which case an extraordinary meeting may be convened when necessary and in accordance with the law.

When the company's shareholders' meeting is held, it may be held by video conference or other methods announced by the central competent authority.

Article 13 : The shareholders shall be notified before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a extraordinary shareholders meeting.

Article 14 : If a shareholder is unable to attend the shareholders' meeting, he/she shall present a proxy form issued by the Company stating the scope of authority, signed or sealed to appoint a proxy to attend the meeting, which shall be delivered to the Company five days prior to the meeting. A shareholder may issue only one proxy form and appoint only one proxy for any given 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. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 15 : The shareholders of the Company shall be entitled to one vote for each share held, except when the shares are deemed non-voting shares under Article 179 of the Company Act.

Article 16 : Except as otherwise provided in the law and regulation, the passage of a proposal shall require an affirmative vote of half of the voting rights represented by the attending shareholders with the voting rights to be more than half of the total issued shares.

Article 17 : If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the directors to act as chairman. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chairman. 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 chairman from among themselves.

Article 18 : 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 chairman of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting.

The distribution of the meeting minutes shall be proceeded by means of the Company's regulation. The meeting minutes shall accurately record the year, month, day, and place

of the meeting, the full name of chairman, the methods by which resolutions were adopted, and a summary of the deliberations. The minutes of meeting shall be retained for the duration of the existence of this Corporation. The attendance book and the proxy from shall be kept for at least one year.

## **Chapter 4 Directors**

Article 19 : The Company shall set 7 - 9 directors of having a term of office of three years and all directors may be reelected or reappointed. The nomination of directors'is in accordance with the Article 192-1 of the Company Act. The handling and announcement of the director candidate's nomination is provided under the laws and regulations of Company Act and Securities and Exchange Act.

At least, there are 3 independent directors among the mentioned directors and they shall have seats in board of directors not less than one of fifth. The professional qualifications, shareholdings, restrictions on concurrent positions, recognition of independence, methods of nomination and election of independent directors and other matters to be complied with shall be in accordance with the Company Law and relevant laws and regulations of the securities authorities.

Article 20 : The Board of Directors shall organize a meeting of the Board of Directors, at which two-thirds of the Directors present and a majority of the Directors present shall elect a Chairman from among themselves to represent the Company in public. A Vice Chairman shall be elected by and from amongst themselves in the same manner. The Chairman shall execute all the affairs of the Company in accordance with the Act, the Articles of Incorporation and the resolutions of the shareholders meeting and the Board of Directors.

Article 21 : If the Chairman takes a leave of absence or is unable to exercise his powers and functions for any reason, the Vice Chairman shall act on his behalf; if the Vice Chairman is unable to exercise his powers and functions for any reason, the Chairman shall designate one of the Directors to act on his behalf; if he is not so designated, the Directors shall elect one of the Directors to act on his behalf.

The directors shall personally attend the meetings of the board of directors. If any director is unable to attend the meetings, he/she may appoint another director to act on his / her behalf, and the aforementioned proxy shall be limited to the appointment of One director.

A meeting of the Board of Directors of the Company shall be convened for a specific purpose and shall be notified to the Directors seven days in advance. However, in case of an emergency, they may be called at any time. Notice of the convening of the Board of Directors of the Company may be given to the Directors in writing, by electronic mail (e-mail) or by facsimile.

Article 22 : For the remuneration of the directors of the company, the Compensation and Remuneration Committee will consider their participation in the company's operations and the value of their contributions, and the remuneration of independent directors may be determined to be a reasonable remuneration different from that of ordinary directors, and take into account the company's operational performance and the usual standards of the industry, and put forward recommendations and submit them to the

board of directors for resolution.

The Company may purchase liability insurance for the Directors during their tenure of office in respect of their liabilities to the extent that they are legally obliged to do so.

Article 23 : Each director shall have one vote, and a resolution of the board of directors shall be passed by half of the present directors when there shall be more than half of the members of BOD attend the meeting, unless otherwise provided by law.

Article 24 : The resolutions of the board of directors shall be recorded in minutes, signed and sealed by the chairman and distributed to the directors within fifteen days after the meeting, and the minutes recording the main points of the proceedings and the results thereof shall be kept in the Company together with the signatures of the directors present and the proxy form.

Article 25 : If a director's term of office expires before he or she is re-elected, his or her term of office shall be extended until the director being re-elected to serve in that capacity.

Article 26 : The Company established an Audit Committee, and may establish other functional committees .The Audit Committee shall consist of all independent directors, one of whom shall be the convenor, and at least one of whom shall have accounting or financial expertise. The duties, rules and regulations, exercise of authority and other matters to be followed by the Audit Committee shall be in accordance with the Company Law and relevant laws and regulations of the securities authorities.

## **Chapter 5 Managers**

Article 27 : The Company shall have a Manager, whose appointment, removal and remuneration shall be in accordance with the provisions of Article 29 of the Company Law.

## **Chapter 6 Accounting**

Article 28 : The Company shall have a fiscal year commencing on January 1 of each year and ending on December 31 of the same year. At the end of each fiscal year, the Board of Directors shall prepare and submit to the shareholders meeting for approval in accordance with the statutory procedures the following forms.

- (1) Business Report
- (2) Financial Statement
- (3) Motion for earning distribution or appropriation of losses

Article 28-1 : A provision for employees' remuneration and directors' remuneration shall be made when there is a profit in the Company's annual accounts as follows, except that when the Company has an accumulated loss, the provision shall be made after the loss has been reserved in advance from the profit :

- 1 、 Remuneration for employees shall not be less than 8 percent and not more than 15 percent. The compensation in cash or stock to employees of the Company or the subordinate may be granted subject to certain conditions which are set by the Board of Directors.
- 2 、 The remuneration of the directors is not more than 1.5%.

The aforementioned earnings are the profit before tax and without the distribution of remuneration to employees and remuneration to directors.

Article 29 : If there is a surplus on the Company's annual accounts, the Company shall set aside 10% of the remaining balance as legal reserve, in addition to the amount required by law to reserve to pay tax and cover past losses. Except when the legal reserve has reached the Paid-in capital amount. After the special reserve is appropriated or reversed, if necessary, the remaining undistributed earnings are accumulated earnings available for distribution to shareholders. The proposal shall be submitted to the shareholders meetings.

Article 29-1 : The implementation of the Company's dividend policy is subject to the Company's future capital budget planning and the need to meet shareholders' cash flow requirements. The cash dividends shall not be less than 10% of the total dividends to shareholders. The method of distribution shall be in accordance with Article 29.

## **Chapter 7 Supplementary Provisions**

Article 30 : Matters not provided for in these Articles of Incorporation shall be governed by the Company Law and other relevant laws and regulations.

Article 31 : The Articles of Incorporation and Bye-laws of the Company may be otherwise determined by the Board. The same applies to the amendment.

Article 32 : The Article of Incorporation was made on May 10, 1965.

The 1st revision was made on October 26, 1966.

The 2nd revision was made on Dec. 1, 1966.

The 3rd revision was made on July 6, 1969.

The 4th revision was made on March 1, 1971.

The 5th revision was made on August 5, 1972.

The 6th revision was made on May 14, 1973.

The 7th revision was made on July 1, 1976.

The 8th revision was made on March 11, 1979.

The 9th revision was made on February 8, 1984.

The 10th a revision t was made on September 1, 1986.

The 11th revision was made on December 1, 1986.

The 12th revision was made on March 2, 1987.

The 13th revision was made on January 28, 1988.

The 14th revision was made on July 20, 1988.

The 15th revision was made on August 15, 1989.

The 16th revision was made on September 5, 1989.

The 17th revision was made on May 7, 1990.

The 18th revision was made on October 19, 1990.

The 19th revision was made on August 20, 1991.

The 20th revision was made on June 15, 1992.

The 21st revision was made on July 11, 1992.

The 22nd revision was made on March 4, 1993.

The 23rd revision was made on May 8, 1993.

The 24th revision was made on May 9, 1994.

The 25th revision was made on May 23, 1995.

The 26th revision was made on May 6, 1996.

The 27th revision was made on May 8, 1997.

The 28th revision was made on May 26, 1998.  
The 29th revision was made on May 24, 1999.  
The 30th revision was made on May 15, 2000.  
The 31st revision was made on May 31, 2001.  
The 32nd revision was made on May 27, 2002.  
The 33rd revision was made on August 23, 2002.  
The 34th revision was made on April 30, 2003.  
The 35th revision was made on June 13, 2005.  
The 36th revision was made on June 12, 2006.  
The 37th revision was made on June 13, 2008.  
The 38th revision was made on June 16, 2009.  
The 39th revision was made on June 17, 2010.  
The 40th revision was made on June 17, 2011.  
The 41st revision was made on June 22, 2012.  
The 42nd revision was made on June 21, 2013.  
The 43rd revision was made on June 17, 2014.  
The 44th revision was made on June 23, 2015.  
The 45th revision was made on June 29, 2016.  
The 46th revision was made on June 23, 2017.  
The 47th revision was made on June 14, 2019.  
The 48th revision was made on June 17, 2020.  
The 49th revision was made on August 12, 2021.  
The 50th revision was made on June 21, 2022.  
The 51th revision was made on June 28, 2023.

Ability Enterprise Co., Ltd.

Chairman : Tseng, Ming Jen