

# **ABILITY ENTERPRISE CO., LTD**

## **Rules and Procedures of the Shareholders' Meeting**

Article 1: The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 2: The term "shareholders" as mentioned in these rules refers to the agents entrusted by the shareholders themselves and the shareholders, who sign by the attendance cards submitted by attendant shareholders (or agents).

The amount of attending shares is calculated based on the submitted attendance cards and the number of shares registered on the video conference platform, plus the number of shares for which voting rights are exercised in writing or electronically.

Article 3: Voting at a shareholders meeting shall be calculated based the number of shares.

Article 4: The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

When the company convenes a video-conference shareholders meeting, it is not subject to the restriction on the venue of the preceding paragraph.

Article 5: 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 6: This Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

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

Article 7: The Company shall record or videotape the entire proceedings of the shareholders' meeting and the recorded materials shall be retained for at least one year.

If the shareholders' meeting is held by video conference, the company shall record and preserve the shareholders' registration, questioning, voting and company vote counting results, etc., and make continuous and uninterrupted audio and video recording of the entire video conference.

The above-mentioned materials and audio and video recordings shall be properly preserved by the company during the period of existence, and the audio and video recordings shall be provided to those who are entrusted to handle video conference affairs for preservation.

Article 8: The chairman shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares,

a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month, and notify all shareholders of the false resolution to convene the shareholders' meeting within one month; if the shareholders' meeting is held by video conference, shareholders who wish to attend by video should re-register with the company in accordance with the regulations.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 9: If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

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

The chairman 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 chairman declares the meeting adjourned in violation of the rules of procedure, in accordance with statutory procedures, a new chairman shall be elected by the agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

After the adjournment of the meeting, the shareholders may not elect another chairman to continue the meeting at the same place or to find another venue for the meeting.

Article 10: 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 chairman.

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.

Article 11: Except with the consent of the chairman, 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 chairman may terminate the speech. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chairman shall stop any violation.

Those who do not obey the stopping by the chairman of the three preceding actions shall be handled in accordance with the Article 19-2 of this rule.

Article 12: When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

If a juristic person shareholder designates two or more representatives to attend a shareholders' meeting, only one person may speak on the same proposal.

Article 13: After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.

If the shareholders meeting is held by video conference, the shareholders participating by video conference may ask questions in text form on the video conference platform of the shareholders meeting after the chairman announces the meeting and before the announcement of the adjournment of the

meeting. The length is limited to 200 characters, and the provisions of Articles 10 to 12 shall not apply.

Article 14: When the chairman thinks that the discussion of the motion has reached the level that can be voted on, he may declare that the discussion shall be stopped and the vote shall be put forward.

Article 15: Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

The results of the voting shall be announced on-site at the meeting, and a record made of the vote.

If the shareholders' meeting is held by video conference, the company shall immediately disclose the voting results and election results of various proposals on the video conference platform of the shareholders' meeting in accordance with the regulations, and shall continue to disclose for at 15 minute after the chairman announces the adjournment of the meeting minute.

Article 16: During the meeting, the chairman may consider the time and declare a break. If an air alert happens during the meeting, the meeting shall be suspended. Attendees shall be evacuated separately and continue to attend the meeting after the alarm is all-clear.

If the meeting fails to finish, it may be postponed or renewed in accordance with Article 182 of the Company Law.

If the shareholders' meeting is held by video conference, except for the circumstances stipulated in Article 44-24, Article 44-24 of the Guidelines for the Handling of Share Transactions of Public Offering Companies, the meeting shall not be postponed or continued until the chairman announces the adjournment of the meeting. In the event of force majeure, if there is an obstacle to the video conference platform or participation by video conference, which lasts for more than 30 minutes, the meeting shall be postponed or renewed within five days, and the provisions of Article 182 of the Company Law shall not

apply.

Article 17: Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority (more than half) of the voting rights represented by the attending shareholders.

A shareholder shall be entitled to one vote for each share held.

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

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.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting and shall deliver the proxy form to the Company before five 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.

Article 18: When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 19: The chairman 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."

The shareholders shall obey the instruction from the chairman and proctors (or security personnel) to maintain order. When anyone violates the rules of procedure and defies the correction, the chairman and the proctors (or security personnel) may decide to stop and delete this intrusion

Article 20: The matters not regulated in the rules shall be handled in accordance with the Company Law, Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Rules Governing the Conduct of Shareholders Meetings by Public Companies, the Company's Articles of Incorporation, and other relevant regulations of laws.

Article 21: These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effect in the same manner.