Lextar

Stock Code：3698

LEXTAR ELECTRONICS CORP.

2020 First Extraordinary Shareholders' Meeting

Meeting Agenda

(Including the Agenda of the Promoters' Meeting of ENNOSTAR Inc.)

(Translation)

Date: August 7, 2020

Table of Contents

I. Meeting Procedure

Lextar Electronics Corp.

2020 First Extraordinary Shareholders' Meeting Procedure

- Chairman's Address

- Report Item

- Discussion and Election Items

- Extraordinary Motions

- Meeting Adjourn

II. Meeting Agenda

Lextar Electronics Corp.

2020 First Extraordinary Shareholders' Meeting

Meeting Agenda

Time: 9:00 a.m., August 7, 2020, Friday

Place: No.1, Gongye E. 2nd Rd., Hsinchu Science Park, Hsinchu City, Taiwan (R.O.C.),

Attendants: All shareholders or their proxy holders

Chairman: Feng Cheng Su, Chairman of the Board of Directors

1. Chairman's Address
2. Report Item
   (1) Report by the Audit Committee on the review result toward the plan that the Company and EPISTAR jointly conduct the Share Swap Agreement to establish a new company "ENNOSTAR Inc.".
3. Discussion and Election Items
   (1) Discussion on a proposed plan for the Company to jointly conduct a share swap with EPISTAR Corporation for the purpose of establishing a new company " ENNOSTAR Inc.", which will acquire 100% shares in the Company and EPISTAR respectively via such share swap, and the Company and EPISTAR will be delisted and cease to be a public company. It is proposed to approve the shares conversion and the jointly shares conversion agreement and its supplementary to the agreement.
   (2) Discussion on an application with the Financial Supervisory Commission for ceasing the status as a public company.
   (3) Discussion on the proposed "Articles of Incorporation of ENNOSTAR Inc."
   (4) Discussion on the proposed "Rules for the Procedures of the Shareholders' Meeting of ENNOSTAR Inc."
   (5) Discussion on the proposed "Rules for Elections of Directors and Supervisors of ENNOSTAR Inc."
   (6) Discussion on the proposed "Procedures for Loaning Funds to Other Parties of ENNOSTAR Inc."
   (7) Discussion on the proposed "Procedures for Endorsements and Guarantees of ENNOSTAR Inc."
   (8) Discussion on the proposed "Acquisition or Disposal Procedures of Asset of ENNOSTAR Inc."
   (9) Election of the first-term board of directors and supervisors of ENNOSTAR Inc.
   (10) Discussion on the waiver of non-competition obligations for the first-term board of directors of ENNOSTAR Inc.
4. Extraordinary Motions
5. Meeting Adjourn

Report Item

1. Report by the Audit Committee on the review result toward the plan that the Company and EPISTAR jointly conduct the Share Swap Agreement to establish a new company "ENNOSTAR Inc.".

Explanation:

(1) In light of the trend of Mini LED and Micro LED application and the considerable business scale to acquire the performance and competitiveness and to enhance the best interests of shareholders, the Company contemplates to enter into the Share Swap Agreement with EPISTAR Corporation ("EPISTAR"), pursuant to which the Company and EPISTAR will jointly conduct a share swap, and will apply for setting up a new company " ENNOSTAR Inc, which will acquire 100% shares issued by the Company (including common stocks previously issued through the private placement(s)) and EPISTAR respectively via such share swap.

(2) Report on the review result by the Audit Committee and Independent Expert Opinion Report on the Reasonableness of Joint Share-Swap Consideration under the Joint Share-Swap Agreement between Lextar Electronics Corp. and Epistar Corporation as Attachment 1(P12) and 2(P13-22).

Discussion and Election Items

1. **Discussion on a proposed plan for the Company to jointly conduct a share swap with EPISTAR Corporation for the purpose of establishing a new company " ENNOSTAR Inc.", which will acquire 100% shares in the Company and EPISTAR respectively via such share swap, and the Company and EPISTAR will be delisted and cease to be a public company. It is proposed to approve the shares conversion and the jointly shares conversion agreement and its supplementary to the agreement. (Proposed by the Board of Directors)**

   Explanation:

   (1) In light of the trend of Mini LED and Micro LED application, in order to scale up the business to advance the performance and competitiveness and enhance the best interests of shareholders, the Company contemplates to enter into the Share Swap Agreement with EPISTAR Corporation ("EPISTAR"), pursuant to which the Company and EPISTAR will jointly conduct a share swap, and will apply for setting up a new company " ENNOSTAR Inc." (the "Holding Company"), which will acquire 100% shares issued by the Company (including common stocks previously issued through the private placement(s)) and EPISTAR respectively via such share swap. After the completion of the share swap, both the Company and EPISTAR will, simultaneously, become wholly-owned subsidiaries of the Holding Company, and the Company and EPISTAR will be delisted from the Taiwan Stock Exchange and the Holding Company will be listed in accordance with the applicable laws and regulations. Subject to the approval by the shareholders' meeting of the Company and EPISTAR respectively, the Company and EPISTAR will ceased its status as a public company after the completion of the share Swap. To the extent permitted under laws and regulations, the practice of the competent authorities and the Taiwan Stock Exchange, each of the Company and EPISTAR will be delisted from the Taiwan Stock Exchange and cease its status as a public company on the record date of the share swap; and all common shares to be issued by the Holding Company will be listed and traded on the Taiwan Stock Exchange from the same date (the "Proposed Share Swap").

   (2) It is contemplated that the share swap ratio of the Proposed Share Swap should be based on the consolidated financial statements as of March 31, 2020, as reviewed by the certified public accountants ("CPAs"), of the Company and EPISTAR, and taking into account various factors such as future operating synergy, as well as the opinion of the independent experts (see Attachment 2 (P13-22)).

      A. It is contemplated to exchange 0.275 shares of the Holding Company's common shares for every 1 share of the Company's common shares, and the Company will transfer all its issued shares (including common stocks previously issued through the private placement(s)) to the Holding Company, and the Holding Company will issue its common shares to the Company's shareholders as the consideration of the Proposed Share Swap.

      B. It is contemplated to exchange 0.5 shares of the Holding Company's common shares for every 1 share of EPISTAR, and EPISTAR will transfer all its issued shares to the Holding Company, and the Holding Company will issue its common shares to the EPISTAR's shareholders as the consideration of the Proposed Share Swap.

      C. According to the above (1) and (2), the common shares issued at the time of incorporation of the Holding Company are tentatively set at approximately 685,952,710 shares, with a par value of NT$10 per share, and a total paid-in capital of NT$6,859,527,100.

      D. If there is less than 1 share of the shares of the Holding Company obtained by the shareholders of the Company or EPISTAR based on the share swap ratio, the chairman

of the Holding Company shall contact one or more specific persons for subscription of such odd stock, which shall be calculated based on the closing price of each share on the Taiwan Stock Exchange on the trading day before the closing date of the Proposed Share Swap according to the share swap ratio, and pay in cash (rounded down to the New Taiwan Dollar, discarded any amount below one New Taiwan Dollar) to these affected shareholders accordingly. The total amount discarded below yuan will be categorized as other income of the Holding Company. The board of directors of the Holding Company shall have the full discretion to handle matters regarding to the odd stocks if it is necessary for adjustment due to regulatory compliance or operational needs.

(3) If the Proposed Share Swap should be approved, permitted or consented by the Taiwan Fair Trade Commission, PRC Anti-monopoly Bureau of the State Administration for Market Regulation, or any equivalent competent authority of other jurisdictions which governs the grant, approval, or permission under similar laws, the completion of the Proposed Share Swap shall be subject to obtaining the necessary approval, permission or consent thereof.

(4) Since the Proposed Share Swap shall be submitted to the shareholders meeting for discussion, according to Article 29 of the Taiwan Business Mergers and Acquisitions Act, such shareholders meeting shall be deemed as the meeting of promoters of the Holding Company. Hence, it is proposed, in that same meeting, to discuss and approve the Articles of Incorporation of the Holding Company, the election of the directors and supervisors of the Holding Company, and the release of the directors from non-competing obligations.

(5) Once the Proposed Share Swap is completed, the Company will become a wholly-owned subsidiary of the Holding Company. Therefore, it is proposed to submit a proposal to the shareholders meeting to file an application for ceasing its status as a public company in accordance with Article 156-2 of the Taiwan Company Act, and to authorize the chairman of the Company the full authority to handle such matter.

(6) Authorization:

A. It is proposed to authorize the chairman of the Company to enter into the Share Swap Agreement and any amendment or supplement thereto with EPISTAR.(see Attachment 3 (P23-48))

B. It is tentatively set by the parties that the record date of the Proposed Share Swap will be October 20, 2020; provided that the chairman of the Company will be authorized to negotiate the change of the record date of the Proposed Share Swap with EPISTAR depending on the progress of the Proposed Share Swap.

C. Should the Proposed Share Swap be subject to the approval, permission and consent of the Taiwan Fair Trade Commission, PRC Anti-monopoly Bureau of the State Administration for Market Regulation, and (where applicable) any equivalent competent authority of other jurisdictions which governs the grant, approval, or permission under similar laws, it is proposed to authorize the chairman of the Company to file relevant application or submission together with EPISTAR.

D. It is proposed to grant the chairman of the Company full authority to handle matters regarding filings with the competent authority and the Taiwan Stock Exchange for the Proposed Share Swap and listing of the Holding Company, the delisting and cessation of the status as a public company of the Company.

E. With respect to the Proposed Share Swap, in case of any matter not specified in the above or any alternation to the clauses or terms and conditions thereof be regarded as necessary in accordance with the competent authority's or the Taiwan Stock

Exchange opinion or changes in the circumstances, it is proposed to submit it to the shareholders meeting for its approval of authorizing the board of directors of the Company or any persons authorized by the board of directors full authority to handle such matters.

(7) Others: Unless otherwise agreed in the joint Share Swap Agreement or required by the laws of Taiwan or relevant competent authorities, the Company shall not modify or adjust the share swap ratio.

(8) This proposal has been submitted to and resolved by the seventh meeting held by the fourth term Audit Committee.

Resolution:

2. Discussion on an application with the Financial Supervisory Commission for ceasing the status as a public company. (Proposed by the Board of Directors)

Explanation:

Once the Proposed Share Swap is completed, the Company will become a wholly-owned subsidiary of the Holding Company. Therefore, it is proposed to submit a proposal to the shareholders' meeting for approving the submission of the filing for ceasing its status as a public company in accordance with Article 156-2 of the Taiwan Company Act, and to authorize the chairman of the Company the full authority to handle such matter.

Resolution:

3. Discussion on the proposed "Articles of Incorporation of ENNOSTAR Inc." (Proposed by the Board of Directors)

Explanation:

(1) The Company and EPISTAR jointly conduct a share swap to establish a new company "ENNOSTAR Inc.". It is proposed to approve the proposed "Articles of Incorporation of ENNOSTAR Inc."

(2) "Articles of Incorporation of ENNOSTAR Inc." is attached hereto as Attachment 4 (P49-54).

Resolution:

4. Discussion on the proposed "Rules for the Procedures of the Shareholders' Meeting of ENNOSTAR Inc." (Proposed by the Board of Directors)

Explanation:

(1) The Company and EPISTAR jointly conduct a share swap to establish a new company "ENNOSTAR Inc.". It is proposed to approve the proposed "Rules for the Procedures of the Shareholders of ENNOSTAR Inc."

(2) "Rules for the Procedures of the Shareholders of ENNOSTAR Inc." is attached hereto as Attachment 5 (P55-58).

Resolution:

5. Discussion on the proposed "Rules for Elections of Directors and Supervisors of ENNOSTAR Inc." (Proposed by the Board of Directors)

Explanation:

(1) The Company and EPISTAR jointly conduct a share swap to establish a new company "ENNOSTAR Inc.". It is proposed to approve the proposed "Rules for Elections of Directors and Supervisors of ENNOSTAR Inc."

(2) "Rules for Elections of Directors and Supervisors of ENNOSTAR Inc." is attached hereto as Attachment 6 (P59-60).

Resolution:

6. Discussion on the proposed "Procedures for Loaning Funds to Other Parties of ENNOSTAR Inc." (Proposed by the Board of Directors)

Explanation:

(1) The Company and EPISTAR jointly conduct a share swap to establish a new company "ENNOSTAR Inc.". It is proposed to approve the proposed "Procedures for Loaning Funds to Other Parties of ENNOSTAR Inc."

(2) "Procedures for Loaning Funds to Other Parties of ENNOSTAR Inc." is attached hereto as Attachment 7 (P61-66).

Resolution:

7. Discussion on the proposed "Procedures for Endorsements and Guarantees of ENNOSTAR Inc." (Proposed by the Board of Directors)

Explanation:

(1) The Company and EPISTAR jointly conduct a share swap to establish a new company "ENNOSTAR Inc.". It is proposed to approve the proposed "Procedures for Endorsements and Guarantees of ENNOSTAR Inc."

(2) "Procedures for Endorsements and Guarantees of ENNOSTAR Inc." is attached hereto as Attachment 8 (P67-73).

Resolution:

8. Discussion on the proposed "Acquisition or Disposal Procedures of Asset of ENNOSTAR Inc." (Proposed by the Board of Directors)

Explanation:

(1) The Company and EPISTAR jointly conduct a share swap to establish a new company "ENNOSTAR Inc.". It is proposed to approve the proposed "Acquisition or Disposal Procedures of Asset of ENNOSTAR Inc.".

(2) "Acquisition or Disposal Procedures of Asset of ENNOSTAR Inc." is attached hereto as Attachment 9 (P74-93).

Resolution:

9. Election of the first-term board of directors and supervisors of ENNOSTAR Inc. (Proposed by the Board of Directors)

Explanation:

(1) According to Article 29 of the Mergers and Acquisition Act, the shareholders' meeting approving the Proposed Share Swap shall be deemed as the promoters' meeting of the Holding Company, and therefore the shareholders' meeting may elect the directors and supervisors of the Holding Company.

(2) According to the Articles of Incorporation of the Holding Company as discussed, the Holding Company contemplates to elect 5 directors and 2 supervisors, with a 3-years office term from August 7, 2020 to August 6, 2023.

Resolution:

10. Discussion on the waiver of non-competition obligations for the first-term board of directors of ENNOSTAR Inc. (Proposed by the Board of Directors)

Explanation:

(1) According to Article 209 of the Company Act, any Director conducting business for himself/herself or on another's behalf, in which and the scope of the business coincides with the Company's business scope, shall explain at the Shareholders' Meeting the

essential contents of such conduct, and obtain approval from shareholders in the Meeting.

(2) If following new-elected directors are engaged in the investment or operation of a business entity with a scope of business similar to that of ENNOSTAR Inc. and acts as a director thereof, we propose a motion to waive the noncompetition clauses applicable to the director and to be resolved at this Extraordinary Shareholders' Meeting in order to allow him or her to act as a director or the representative of said business entity on the premise that such waiver will not infringe upon the interests of ENNOSTAR Inc.

Resolution:

Extraordinary Motions

Meeting Adjourn

III. Attachments

Attachment 1

Review report of the Share Swap Agreement to establish a new company "ENNOSTAR Inc." by the Audit Committee.

1. Pursuant to Article 6 of Business Mergers and Acquisitions Act and Articles 2 and 6 of Regulations Governing the Establishment and Related Matters of Special Committees of Public Companies for Merger/Consolidation and Acquisition, the Audit Committee shall function as the special committee for the proposed share exchange transaction.

2. Based on the above regulations, the Audit Committee has appointed Mr. Ji-Sheng Chiu, CPA, as the independent expert to deliver the fairness opinion. The computed reasonable range of Share-Swap Ratio for the Case should be 1 Lextar share to 0.51 ~ 0.59 Epistar shares as Share-Swap Consideration. The currently planned swap ratio by both sides is 1 Lextar share to 0.275 shares of the New Holding Company and 1 Epistar shares to 0.50 shares of the New Holding Company, which is equivalent to the ratio of 1 Lextar share to 0.55 Epistar shares for the share swap falling within the forementioned assessment range. Therefore, we consider that the planned Share-Swap Ratio and Consideration is reasonable.

3. The Audit Committee took the operation condition, future development of the Company and relevant factors into consideration. Furthermore, such Share Swap Agreement is stipulated pursuant to applicable laws and regulations; thus, the consideration and conditions of the share exchange shall be reasonable.
   The share exchange is unanimously approved by all members of Audit Committee present without objection and the review result will be submitted to the board of directors meeting and the shareholders' meeting of the Company.

Attachment 2

Independent Expert Opinion Report on the Reasonableness of Joint Share-Swap Consideration under the Joint Share-Swap Agreement between Lextar Electronics Corp. and Epistar Corporation

Independent Expert Opinion Report on the
Reasonableness of Joint Share-Swap Consideration under
the Joint Share-Swap Agreement between
Lextar Electronics Corp. and Epistar Corporation

Lextar Electronics Corp. (hereafter "Lextar") and Epistar Corporation (hereafter "Epistar"), together "Both Sides", are both leading companies in the optoelectronic. In order to pursue business scale of Both Sides and to improve overall business performance, while retaining flexibility and efficiency from independent operations of individual companies, the two companies plan to sign a Joint Share-Swap Agreement to establish an investment holding company (hereafter "New Holding Company"), and Both Sides will become 100% held subsidiaries of the New Holding Company (hereafter the "Case")；According to Article 6 of Business Mergers And Acquisitions Act and Article 6 of Regulations Governing the Establishment and Related Matters of Special Committees of Public Companies for Merger/Consolidation and Acquisition, we are engaged to express our opinion regarding the reasonableness of the Share-Swap Consideration under the Joint Share-Swap Agreement.

We have been engaged by Lextar, using June 17, 2020 as the valuation date, to issue an Independent Expert Opinion Report on the reasonableness of the Share-Swap Consideration for the Case. Under different valuation purpose(s) for the Share-Swap Consideration, different basic assumptions or valuation date(s) used would have material impact on the evaluated Share-Swap Consideration and the opinion report.

This opinion report is intended only for reference by Lextar in making its internal decisions by its board of directors and audit committee, it is not intended for other use. We evaluate the Joint Share-Swap Consideration independently on a third-party perspective, and we do not participate in any part of the transaction between Both Sides or its planning. The analytical procedures we have adopted are based on the planned Joint Share-Swap Consideration for this Case; Verification and comparison procedures were not performed, therefore, the analytical procedures adopted are unable to reflect whether or not the above provided data contain any material error. We have assessed reasonableness and accuracy of the source of information that we used to perform our analysis, the information was mainly provided by Lextar personnel and publicly available information. We hereby state that we are not responsible for any legal obligation for future effects on the companies due to changes in planning of the Case or other events which may lead to changes in the contents of this opinion report.

I. Overview of Target Company

(a) Company Background

Lextar, which was BenQ & AUO Group investment in LED industry, was established in accordance with the Company Act on May 23, 2008 and was approved to go public in June 2011. In March 2010, Lextar merged with LightHouse Technology

Co., Ltd. and then in February 2013, merged with Wellypower Optronics Corporation.

Epistar was established in accordance with the Company Act on September 19, 1996 and was approved to go public in May 2001. In October 2003, Epistar merged with Inforcomm Semiconductor Corporation ; In December 2005, Epistar merged with United Epitaxy Company, Ltd. ; In June 2015, Epistar merged with TSMC Solid State Lighting Ltd. ; In September 2016, Epistar merged with HUGA Optotech Inc. and Formosa Epitaxy Incorporation.

Lextar and Epistar are both leading professional companies in manufacturing photoelectric products, their major products are Epi, Chip, PKG, modules, etc., with applications including LED monitor backlight, lighting, sensor parts, etc.

(b) **Financial Information**

1. Lextar

Unit : NTD Thousand

Item \ Period		2020Q1	2019Q1	2019	2018
Concise Balance Sheet	Total Assets	14,190,206	15,809,075	14,828,384	15,744,355
	Total Liabilities	3,252,256	4,135,994	3,643,263	4,388,908
	Total Equity	10,937,950	11,673,081	11,185,121	11,355,447
	Earnings Per Share (NTD)	20.67	22.12	20.95	22.19
Concise Statement of Comprehensive Income	Operating Revenue	1,678,799	2,167,606	9,054,933	11,055,223
	Operating Income(Loss)	-241,040	-423,923	-988,480	-78,028
	Earnings (Net Loss) Before Income Tax	-187,746	138,481	-362,908	79,514
	Basic Earnings Per Share(NTD)	-0.34	0.22	-0.61	0.10

Source of Data：Market Observation Post System of Taiwan Stock Exchange & Taipei Exchange

2. Epistar

Unit : NTD Thousand

Item \ Period		2020Q1	2019Q1	2019	2018
Concise Balance Sheet	Total Assets	58,278,882	62,707,025	58,730,610	62,738,642
	Total Liabilities	12,301,835	12,444,330	11,535,252	11,830,732
	Total Equity	45,977,047	50,262,695	47,195,358	50,907,910
	Earnings Per Share (NTD)	40.63	45.02	41.93	45.57

Concise Statement of Comprehensive Income	Operating Revenue	3,387,728	3,753,453	15,959,831	20,306,412
	Operating Income(Loss)	-1,240,510	-1,213,413	-3,691,553	-678,843
	Earnings (Net Loss) Before Income Tax	-1,605,750	-1,143,213	-3,754,102	-867,141
	Basic Earnings Per Share(NTD)	-1.38	-1.03	-3.48	-0.42

Source of Data：Market Observation Post System of Taiwan Stock Exchange & Taipei Exchange

II. Evaluation Model

(a) Evaluation Approach for Equity Value

All of the analytical models generally used for business value assessment have sound theoretical basis, broadly, they can be divided into the following three categories：

1. Market Approach：Includes Fair Value Approach, Comparable Company Method, and Comparable Transactions Method, which mainly involve performing analysis and computation, through using market multipliers on the financial data of the target company to those of other comparable companies in the same industry or of similar transactions, to assess the corresponding market value of the target company based on its recent operating performances. Then adjustments are made based on the portion where the target company differs from its market peers or similar transactions.
2. Income Approach：Such as Cash Flow Method, uses future cash flows generated by the target company as the evaluation basis, through capitalization and discounting process, convert future cash flows of the target company into business value of the target company.
3. Cost Method：Use book value as a basis, through evaluating the total value of the covered individual assets and liabilities of the target company, and considering the fair market value, transaction costs, and taxes of the various assets and liabilities to reflect the total value of the target company.

(b) Picking Comparable Companies

Using the nature, business, and operating model of the target company as standards, in addition that the target companies are market peers with each other, we have also screened and selected Everlight Electronics Co., Ltd. (hereafter “Everlight”), stock code 2393 and Advanced Optoelectronic Technology Inc. (hereafter “AOT”), stock code 3437 as comparable companies. The financial information of the comparable companies for the first quarter ended March 31, 2020 is shown as following：

Unit : NTD Thousand

Item	Company	Everlight	AOT
Concise Balance Sheet	Total Assets	28,590,804	4,319,963
	Total Liabilities	11,494,098	1,864,589
	Total Equity	17,096,706	2,455,374
	Earnings Per Share (NTD)	37.79	16.99
Concise Statement of Comprehensive Income	Operating Revenue	4,532,181	1,036,369
	Operating Income(Loss)	23,878	-123,364
	Earnings (Net Loss) Before Income Tax	90,833	-122,795
	Basic Earnings Per Share(NTD)	0.14	-0.84

Source of Data：Market Observation Post System of Taiwan Stock Exchange & Taipei Exchange

(c) Choice of Assessment Approach

In order to assess the reasonable equity value and Share-Swap Ratio for Lextar's participation in the Case, in addition to reviewing the related financial data of Both Sides, we also refer to performance of the comparable companies which reflects recent condition of the industry as a whole. Since the financial projection of Both Sides is not available, Income Approach could not be used to assess its business value ; Regarding the Case, after considering non-quantified adjustment factors, we use the Fair Value Approach under Market Approach and the Price-Book Ratio Method under Comparable Company Method, and Book-Value-Per Share Method as basis for the assessment of reasonable Share-Swap Ratio for Lextar and Epistar.

III. Computation for Equity Value

(a) Fair Value Approach

Since Both Sides of the transaction are listed companies in Taiwan Stock Exchange, with objective transaction prices in open market for reference, we use the average closing prices of the target companies within 10, 20, 30 and 60 of business days on or prior to June 17, 2020 as basis for the reasonable reference value in computing the Share-Swap Ratio for Lextar and Epistar, shown as following：

Unit : NTD

Item	Average Closing Price (Note)		Share-Swap Ratio
	Lextar	Epistar	
Most-recent 10 business days	18.85	37.44	0.50

Most-recent 20 business days	18.77	36.93	0.51
Most-recent 30 business days	18.68	37.31	0.50
Most-recent 60 business days	16.37	34.58	0.47
Range of Share-Swap Ratio			0.47 ~ 0.51

Source of data：Closing prices of Taiwan Stock Exchange, computed using simple arithmetic mean

(b) Comparable Company Method - Price-Book Ratio Method

The closing prices and book value per share of respective companies within 10, 20, 30 and 60 of business days on or prior to the measurement base date of June 17, 2020 are summarized as following：

Unit : NTD

Company Name / Item	Lextar	Epistar	Everlight	AOT
2020/3/31 Book Value Per Share	20.67	40.63	37.79	16.99
Average Closing Price - Most-recent 10 business days	18.85	37.44	32.54	17.82
Average Closing Price - Most-recent 20 business days	18.77	36.93	32.10	18.07
Average Closing Price - Most-recent 30 business days	18.68	37.31	32.46	18.27
Average Closing Price - Most-recent 60 business days	16.37	34.58	30.36	16.06

Source of data：Average closing prices are computed using simple arithmetic mean of closing prices from Taiwan Stock Exchange

Using the closing prices of Both Sides and the comparable companies within 10, 20, 30 and 60 of business days on or prior to the valuation date of June 17, 2020 as sampling basis, the Price-to-Book Ratio (“P/B”) of the comparable companies are computed according to their respective book value per share as of March 31, 2020, then the reasonable reference value of Share-Swap Ratio for Lextar and Epistar are computed as following :

Item	P/B of Comparable Companies				Theocratical Book Value Per Share - Lextar	Closing Price – Epistar	Share-Swap Ratio
	Epistar	Everlight	AOT	Average P/B			
Most-recent 10 business days	0.92	0.86	1.05	0.94	19.43	37.44	0.52
Most-recent 20 business days	0.91	0.85	1.06	0.94	19.43	36.93	0.53
Most-recent 30 business days	0.92	0.86	1.08	0.95	19.64	37.31	0.53
Most-recent 60 business days	0.85	0.80	0.95	0.87	17.98	34.58	0.52
Range of Share-Swap Ratio							0.52 ~ 0.53

(c) Book-Value-Per Share Method

According to the computed book value per share based on the total equity amount attributed to the parent companies and the most-recent outstanding number of shares (after considering treasury shares) disclosed in the financial statements of Lextar and Epistar as of March 31,2020, the computed reasonable reference value of Share-Swap Ratios of Lextar and Epistar are shown as following：

Item \ Company	Lextar	Epistar	Share-Swap Ratio
2020/3/31 Book Value Per Share (NTD)	20.67	40.63	0.51

(d) Non-quantified Adjustment Factors

We searched for completed mergers and acquisition cases in Taiwan (2017~) which used stock swap as consideration, excluding cases with negative premium ratios. We summarize these cases, using the first quartile of the premium ratio of 6.15% as lower limit and the third quartile of the premium ratio of 15.67% as upper limit, then form a range for the non-quantified adjustment.

(e) Summary of Assessment on Equity Value

According to the results from the above valuation model, since Lextar and Epistar are both listed companies in Taiwan Stock Exchange, with objective transaction prices in open market for reference, therefore, higher weight is given to Market Approach. As to the remaining two methods, lower weight is given for reference in computing the conversion value of the common shares. In addition, non-quantified factors are considered and premium ratio is introduced to adjust the Share-Swap Consideration. After the above considerations, the reasonable range of Share-Swap Ratios of Lextar and Epistar in the Case is shown as following :

Unit : NTD

Valuation Approach	Range of Share-Swap Ratio	Weight	Range of Premium Ratio	Range of Theoretical Share-Swap Ratio
Fair Value Approach	0.47～0.51	70%	6.15% ~ 15.67%	0.51 ~ 0.59
Comparable Company Method - Price-Book Ratio Method	0.52～0.53	15%		
Book-Value-Per Share Method	0.51	15%		

IV. Assessment Conclusion

In summary, after considering the quantified financials and objective market data, along with utilizing Fair Value Approach, Price-Book Ratio Method under Comparable Company Method, and Book-Value-Per Share Method, and after considering the premium ratios from mergers and acquisitions using share swap as consideration, the computed reasonable range of Share-Swap Ratio for the Case should be 1 Lextar share to 0.51 ~ 0.59 Epistar shares as Share-Swap Consideration. The currently planned swap ratio by Both Sides of 1 Lextar share to 0.275 shares of the New Holding Company and 1 Epistar shares to 0.50 shares of the New Holding Company, which is equivalent to the ratio of 1 Lextar share to 0.55 Epistar shares for the share swap, falls within the above-mentioned assessment range. We consider the planned Share-Swap Ratio and Consideration should be reasonable.

Crowe (TW) CPAs

CPA：Chiu, Chi-Sheng

Date： June 17, 2020

Notice to Readers

For the convenience of readers, this report has 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 version shall prevail.

Professional Summary of CPA

Name： Chiu, Chi-Sheng (Jason Chiu)

Qualification：Republic of China (Taiwan) CPA

Education：Bachelor of Statistics, National Cheng Kung University
Master of Accounting, Soochow University
Completion of Master Credit Course of Laws, National Taipei University

Experience：	First Horwath & Company, CPAs	Manager, Deputy Manager
	Diwan & Company	Senior Manager
	First Horwath & Company, CPAs	CPA
	Taipei Accounting Association	Director, Lecturer
Current Post：	Crowe (TW) CPAs	Partner CPA

Independence Declaration Statement

I have been engaged by Lextar Electronics Corp. to issue an assessment opinion report on the reasonableness of share-swap ratio in establishment of the new holding company with Epistar Corporation.

For performing the above engagement, I hereby declare that none of the following circumstances exist：

1. Myself or my spouse currently employed by the transaction parties, holding regular post, receiving regular salary payments, or serving as director or supervisor.
2. Myself or my spouse was employed by the transaction parties as director, supervisor, general manager or employee that has material impact on this case within 2 years of resignation.
3. Myself or my spouse is a related party of the transaction parties.
4. Has second-degree or closer familial relationship with the directors, supervisors, general managers of the transaction parties, or with employee that has material impact on this case.
5. Myself or my spouse has material investment or profit-sharing relationship with the transaction parties.

I have maintained an independent mindset in providing the expert assessment opinion for the planned establishment of the new holding company by Lextar Electronics Corp. and Epistar Corporation.

Crowe (TW) CPAs

CPA：Chiu, Chi-Sheng

Date： June 17, 2020

Attachment 3

Joint Stock Exchange Agreement

The Joint Stock Exchange Agreement (hereinafter referred to as the "**Agreement**") is entered into between and by the following parties on June 18, 2020 (hereinafter referred to as the "**Effective Date**"):

(1) **EPISTAR Corporation** (hereinafter referred to as "**EPISTAR**"), a company incorporated under the laws of the R.O.C., situated at 21, Li-hsin Rd., Hsinchu Science Park, Hsinchu 300, Taiwan;

(2) **Lextar Electronics Corp.** (hereinafter referred to as "**Lextar"**), a company incorporated under the laws of the R.O.C., situated at No. 3, Gongye E. 3rd Road, Hsinchu Science Park, Hsinchu 300, Taiwan.

Introduction

Whereas, EPISTAR and Lextar agree to found the newly incorporated holding company in the form of joint stock exchange to have the newly incorporated holding company acquire the whole issued shares of EPISTAR and Lextar; Whereas, EPISTAR and Lextar will become the subsidiaries wholly owned by the newly incorporated holding company at the same time upon completion of the stock exchange (hereinafter referred to as the "**Stock Exchange**"). Now, therefore, both parties hereby agree to execute the Agreement to be bound by both parties:

Definition

"**Newly incorporated holding company**" refers to the holding company incorporated under Article 1.1 herein, named as "Holding Company A" (to be confirmed).

"**Antitrust Laws**" refers to (1) Fair Trade Act and sub-laws thereof; (2) Anti-Monopoly Law of the People's Republic of China and sub-laws thereof; and (3) similar laws of any other countries.

"**Competent authorities of Antitrust Laws**" refers to the Fair Trade Commission of Taiwan, Anti-monopoly Bureau of the State Administration for Market Regulation of the PRC, and competent authorities of antitrust laws in any other countries (if applicable).

"**Subsidiary**" refers to the company falling within the meaning of a subsidiary under the Regulations Governing the Preparation of Financial Reports by Securities Issuers (based on IFRSs).

"**Related party**" refers to the company falling within the meaning of a related party under the Regulations Governing the Preparation of Financial Reports by Securities Issuers (based on IFRSs).

"**Underlying financial statements**" refer to the consolidated financial statements audited by the CPA on March 31, 2020.

"**Material adverse effect**" refers to any material adverse circumstance caused to the finance, business, property, operation, or shareholders' equity of the concerned party or any of the concerned party's subsidiaries, or to the Stock Exchange, including but not limited to, any causes resulting in reduction of the concerned party's consolidated net book value by more than 5% (inclusive) from that in the underlying financial statements, individually or jointly.

"**Force Majeure**" refers to the circumstances attributed to neither party or equivalents, such as war, hostile activity, lockouts, riots, revolutions, strikes, shutdowns, financial crises, nuclear damage, fires, typhoons, earthquakes, tsunamis, plagues, or floods.

Article 1. Mode of Stock Exchange

1.1 Both parties agree to apply for incorporation of the newly incorporated holding company in accordance with the Business Mergers And Acquisitions Act and related laws & regulations, and carry out the stock exchange jointly to have the whole issued shares of each party assigned to the newly incorporated holding company upon resolution of a shareholders' meeting of each party. The newly incorporated holding company shall issue new shares to both parties' shareholders based on the share exchange ratio agreed in Article 3 herein as the consideration to pay up the subscription amount payable by both parties' shareholders for incorporation of the newly incorporated holding company.

1.2 Upon completion of the stock exchange, both parties will become the subsidiaries wholly owned by the newly incorporated holding company at the same time, and may keep their own existing and surviving company names.

Article 2. Both Parties' Capital Structure Prior to Stock Exchange

2.1 Capital, number and type of issued shares, and other issued equity securities prior to EPISTAR stock exchange

2.1.1 Until the Effective Date, the registered capital of EPISTAR has totaled NT$13,000,000,000, divided into 1,300,000,000 common shares at a par value of NT$10 per share, to be issued in batches. The paid-in capital is NT$10,887,014,100, divided into 1,088,701,410 shares, including the treasury stock totaling 10,364,755 shares, without any outstanding and unregistered common shares.

2.1.2 Until the Effective Date, EPISTAR has issued outstanding GDR totaling 6,023 units, signifying EPISTAR's common stock totaling 30,115 shares.

2.1.3 Until the Effective Date, EPISTAR has had no other outstanding equity securities, other than those referred to in Article 2.1.1 and Article 2.1.2 herein.

2.2 Capital, number and type of issued shares, and other issued equity securities prior to Lextar stock exchange

2.2.1 Until the Effective Date, the registered capital of Lextar totaled NT$7,000,000,000, divided into 700,000,000 common shares at a par value of NT$10 per share, to be issued in batches. The paid-in capital is NT$5,150,363,800, divided into 515,036,380 shares, including the private common stock totaling 83,000,000 shares and non-vested Restricted Stock Awards (RSA) totaling 5,950,000 shares, as well as recalled RSAs totaling 120,000 shares, under which the vesting conditions have not been fully met and for which the registration of cancellation is pending, without any outstanding and unregistered common shares.

2.2.2 Until the Effective Date, Lextar has had no other outstanding equity securities or held any treasury stock, other than those referred to in Article 2.2.1 herein.

Article 3. Consideration for Stock Exchange and share swap ratio

3.1 For theStock Exchange, each of EPISTAR's common shares may be exchanged for 0.5 shares of the newly incorporated holding company, each of Lextar's common shares may be exchanged for 0.275 shares of the newly incorporated holding company (including the private common shares referred to in Article 2.2.1 herein) (hereinafter referred to as the "**share swap ratio**"). Both parties' shareholders assign the issued shares (including the private common shares referred to in Article 2.2.1 herein) to the newly incorporated holding company in whole. Then, the newly incorporated holding company issues common shares to both parties' shareholders as the consideration for stock exchange. The total number of shares transferred by both parties' shareholders to the newly incorporated holding company shall be based on that of the shares actually issued on the record date for the stock exchange. Lextar's issued non-vested Restricted Stock Awards (RSA) shall be handled in the manner agreed in Article 16.1 herein.

3.2 The newly incorporated holding company's registered capital is set as NT$15,000,000,000, divided into 1,500,000,000 shares at a par value of NT$10 per share, all common shares to be issued in batches. Assuming that EPISTAR's issued stock totals 1,088,701,410 shares and Lextar's issued stock totals 515,036,380 shares (including the private common shares referred to in Article 2.2.1 herein), less recalled RSAs totaling 120,000 shares, for which the registration of cancellation is pending, in the Stock Exchange, based on the share swap ratio, the newly incorporated holding company expects to issue a total of 685,952,710 shares at a par value of NT$10 per share on the record date for the stock exchange, all common shares, with the paid-in capital amounting to NT$6,859,527,100. Where the number of shares issued by either party increases or decreases due to capital increase, capital reduction or performance, exchange or conversion of equity securities, the number of new shares

to be issued by the newly incorporated holding company upon the Stock Exchange shall be adjusted based on the same share swap ratio relatively.

3.3 Said share swap ratio is agreed based on both parties' underlying financial statements, and market price of both parties' stock per share, earnings per share, and any other factors acknowledged by both parties that might affect shareholders' equity. It is also taking into account both parties' current overview of operation and consolidated effect of future operations and development conditions, insofar as it is in line with the opinion on share swap ratio provided by the retained independent director.

3.4 Where the shareholding of the newly incorporated holding company acquired by both parties' shareholders based on the share swap ratio is less than one share, the fractional shares shall be purchased by specific persons arranged by the Chairman of Board of the newly incorporated holding company and be paid to both parties' shareholders in cash based on the closing price of both parties' stock traded on TWSE on the day preceding to the record date for stock exchange. Subject to the share swap ratio (the amount to be rounded to the nearest NT$1.0), and the amount rounded off after NT$1.0 shall be re-stated as the newly incorporated holding company's other revenue. Where it is necessary to change the manner in which the fractional shares referred to herein are treated pursuant to laws or to meet the needs for operations, the Board of Directors of the newly incorporated holding company shall do so with full power.

Article 4. Adjustment of share swap ratio

4.1 Where either party meets any of the following circumstances, unless already disclosed to the other party prior to execution of the Agreement, the party's share swap ratio referred to in Article 3 herein shall be handled in the manner agreed in Article 4.2 herein from the Effective Date until the record date for stock exchange:

4.1.1 Engage in capital increase, issuance of new shares, distribution of stock dividends/bonus or reserve, distribution of remuneration to employees, issuance of Restricted Stock Awards (RSA) or other equity securities.

4.1.2 Buyback treasury stock (except the subscription for dissenting shareholders' shares referred to in Article 12 herein).

4.1.3 Disposal of, or specific fact and evidence available to prove the disposal of, its substantial assets; occurrence of material disaster, material adverse technical reform, material adverse legal action, or any force majeure, or any other material adverse changes in finance, business, operations, or shareholders' equity.

4.1.4 As instructed by the competent authority, or in order to have the Stock Exchange approved by the competent authority successfully, it is necessary to adjust the share swap ratio agreed in Article 3 herein.

4.2 Unless otherwise agreed herein or by both parties, where any of the circumstances referred to in Article 4.1 herein arises from the Effective Date until the record date for stock exchange, both parties' boards of directors shall promptly agree on reasonable adjustment on the share swap ratio in good faith, and the motion for such adjustment on share swap ratio as agreed by both parties shall be submitted to each party's board of directors meeting for a resolution prior to the record date for stock exchange, without needing to convene a shareholders' meeting separately.

4.3 Where it is impossible for both parties' boards of directors to resolve the adjustment on share swap ratio within 30 days (but no later than the record date for stock exchange) upon occurrence of any of the circumstances referred to in Article 4.1 herein, either party may terminate the Agreement by sending a written notice, unless both parties have agreed to extend said-noted time limit.

4.4 The "material" referred to in Article 4.1.3 herein reflects a circumstance which might pose negative impact to the consolidated financial statements of the party suffering such circumstance, thereby causing its net worth to decrease by more than 5% (inclusive) from that referred to in its underlying financial statements.

Article 5. Articles of Incorporation of the Newly Incorporated Holding Company

5.1 Both parties agree that the newly incorporated holding company's articles of incorporation shall be the same as shown in Attachment 1 hereto, and shall make all commercial efforts to urge the shareholders' meeting which is identified as the newly incorporated holding company's meeting of promoters to pass the articles.

Article 6. Board of Directors of the Newly Incorporated Holding Company

6.1 According to the Articles of Incorporation as shown in Attachment 1 hereto, the newly incorporated holding company shall appoint 5~13 directors and 2 supervisors. In the event that independent directors' requirements shall apply, said directors shall include no less than 3 independent directors who are no less than one-fifth of all directors. Both parties shall elect 5 directors and 2 supervisors for the 1st Term pursuant to said articles of incorporation at the shareholders' meeting which is identified as the newly incorporated holding company's meeting of promoters, and shall make all commercial efforts to urge 3 directors and 1 supervisor to be elected from and among the nominees designated by EPISTAR, and 2 directors and 1 supervisor to be elected from and among the nominees designated by Lextar.

6.2 According to the Articles of Incorporation as shown in Attachment 1 hereto,the newly incorporated holding company shall adopt the candidate nomination system in the elections conducted after its incorporation, in order to allow shareholders to elect the directors and supervisor from the name list of nominated candidates. Upon incorporation of the newly incorporated holding company, both parties shall urge the newly incorporated holding company to appoint 4 independent directors in

accordance with Article 14-2 of the Securities and Exchange Act and said articles of incorporation, and to have all independent directors compose the Audit Committee in place of supervisors in accordance with Article 14-4 of the same Act. The independent directors shall be appointed through by-election. Two independent director candidates recommended by each of EPISTAR and Lextar shall be nominated and included into the name list of candidates at the same time.

6.3 Where, at the time of election of the 1st term directors/supervisors and subsequently at the first-time election of independent directors, the newly incorporated holding company wishes to increase or adjust the number of directors (including independent directors) and supervisors as agreed in Article 6.1 and Article 6.2 herein within the scope defined by the Articles of Incorporation, the number thereof upon the increase or adjustment shall be even all the times (namely, the total number of directors elected finally remains an odd number, while the total number of independent directors and supervisors elected is an even number), and the increased directors (including independent directors)/supervisors shall be evenly served by the nominees designated by EPISTAR and Lextar.

6.4 Both parties shall make all reasonable commercial efforts to urge one of the director candidates nominated by EPISTAR to be elected as the Chairman of the Board for the newly incorporated holding company, and one of the director candidates nominated by Lextar to be elected as the Vice Chairman of the Board for the newly incorporated holding company.

6.5 The newly incorporated holding company shall establish the Business Administration Committee (hereinafter referred to as the "**Administration Committee**") to help the Board of Directors manage operations of the newly incorporated holding company. The Administration Committee consists of 4 members including directors or managers from the newly incorporated holding company or its subsidiaries. In principle, two of them shall be recommended by EPISTAR, and the other two recommended by Lextar. The number of Administration Committee members upon increase or adjustment, if any, shall be even all the times, and the increased members shall be evenly served by the nominees designated by EPISTAR and Lextar. The functions & operations and authority of the Administration Committee shall be negotiated by both parties in good faith based on the principle of impartiality and free from any violation of laws and the competent authority's order, and shall be approved upon resolution made by the Board of Directors of the newly incorporated holding company.

Article 7. Record Date for Stock Exchange and Stock Exchange Plan

7.1 Unless otherwise agreed by both parties, both parties shall, on August 7, 2020 or another date designated by both parties' boards of directors (no later than August 6, 2021), convene a shareholders' meeting pursuant to laws respectively to resolve the

Stock Exchange and the Agreement.

7.2 Subject to satisfaction with or waiver of the pre-conditions agreed in Article 8, the Stock Exchange shall be completed on the record date for stock exchange decided by both parties' boards of directors pursuant to laws and Article 7.3 herein (hereinafter referred to as the "**record date for stock exchange**").

7.3 Both parties agree that the preliminary record date for stock exchange shall be set as October 20, 2020. Notwithstanding, where it is impossible to obtain the approvals, permits or consents (including but not limited to, those from Financial Supervisory Commission, TWSE and competent authorities of antitrust laws) prior to said-noted date, both parties shall agree on the record date for stock exchange separately within 10 business days upon receipt of said approvals, permits, or consents. Where both parties fail to agree on the record date for stock exchange within said-noted time limit, the record date for stock exchange shall be 30th business day after all approvals, permits, or consents to be obtained prior to completion of the Stock Exchange are obtained.

7.4 Where it is impossible to complete the Stock Exchange within the time limit as agreed in Article 7.2 and Article 7.3 herein and both parties negotiate for changing the time limit accordingly, it is not necessary for both parties to convene a shareholders' meeting to resolve the case any longer.

7.5 EPISTAR and Lextar will be delisted pursuant to laws and the newly incorporated holding company listed instead upon completion of the Stock Exchange. Upon resolution by a shareholders' meeting of each party, if any, EPISTAR and Lextar will cease the public offering upon completion of the Stock Exchange. Insofar as it is permitted under the operations of laws, competent authorities and TWSE, EPISTAR, and Lextar will be delisted and crease the public offering as of the record date for stock exchange, and all of the common shares issued by the newly incorporated holding company will be listed and traded on TWSE as of the record date for stock exchange.

Article 8. Pre-conditions of Stock Exchange

8.1 Both parties' obligation to complete the Stock Exchange shall be subject to fulfillment of the following prerequisites:

8.1.1 The Stock Exchange and the Agreement have been approved upon resolution made by a shareholders' meeting for both EPISTAR and Lextar.

8.1.2 The Stock Exchange has received all necessary permits, consents, or approvals (including but not limited to, those with subordinated obligation or conditions) from domestic/foreign competent authorities (including but not limited to, TWSE and competent authorities of antitrust laws).

8.2 EPISTAR's obligation to complete the Stock Exchange shall be subject to fulfillment of

the following conditions (or EPISTAR's waiver of the conditions in writing):

8.2.1 The representation and warranty made by Lextar under the Agreement are true and correct on the Effective Date and record date for stock exchange, except those which may not pose any material adverse impact to Lextar.

8.2.2 Lextar has duly performed the commitments and obligations herein to be performed by it prior to the record date for stock exchange, and free from any activities banned in Article 11 herein or failure to rectify the misconduct against any provision herein, if any.

8.2.3 No event which might pose material adverse impact to Lextar has arisen prior to the record date for stock exchange.

8.2.4 The consent to the Stock Exchange to be obtained by Lextar from the other party or any other third party pursuant to laws or both parties' agreement has been adequately obtained by Lextar.

8.3 Lextar's obligation to complete the Stock Exchange shall be subject to fulfillment of the following conditions (or Lextar's waiver of the conditions in writing):

8.3.1 The representation and warranty made by EPISTAR under the Agreement are true and correct on the Effective Date and record date for stock exchange, except those which may not pose any material adverse impact to EPISTAR.

8.3.2 EPISTAR has duly performed the commitments and obligations herein to be performed by it prior to the record date for stock exchange, and free from any activities banned in Article 11 herein or failure to rectify the misconduct against any provision herein, if any.

8.3.3 No event which might pose material adverse impact to EPISTAR has arisen prior to the record date for stock exchange.

8.3.4 The consent to the Stock Exchange to be obtained by EPISTAR from the other party or any other third party pursuant to laws or both parties' agreement has been obtained by EPISTAR adequately.

8.4 Where the pre-conditions referred to in Article 8.1 and Article 8.3 herein are fulfilled or waived in writing in whole, the Stock Exchange shall be completed on the record date for stock exchange set in Article 7.3 (or Article 7.4) herein.

Article 9. Representation and Warranty

9.1 The representation and warranty made by either party to the other party are true and correct as of the Effective Date and record date for stock exchange:

9.1.1 Duly incorporation and existence of the Company: The concerned party is a company limited by shares incorporated, registered, and duly surviving under the laws of the R.O.C., with the ability and authority required to engage in the business lines set forth in its articles of incorporation, having acquired all permits, approvals and licenses required for its existing business lines pursuant

to laws, and free from any circumstances affording to abolish, revoke or invalidate said permits, approvals, or licenses.

9.1.2 Subsidiaries: The concerned party's subsidiaries have acquired and completed all approvals, permits and reporting procedures required for investment in and incorporation of them pursuant to laws. Meanwhile, the subsidiaries have also acquired all licenses, approvals, permits and other certificates required for their existing business lines allowing them to engage in the existing business lines duly in the jurisdiction where they are operating. None of the concerned party' subsidiaries has voluntarily resolved any dissolution, liquidation, insolvency, composition or reorganization, or is declared dissolved, liquidated, insolvent, reaching settlement, or reorganized by a third party.

9.1.3 Registered entries and paid-in capital: The registered entries and paid-in capital referred to in Article 2 herein are true and correct. The concerned party has registered entries to be registered with the competent authorities pursuant to laws.

9.1.4 Resolution and authorization by Board of Directors: The Agreement has been approved upon resolution by the concerned party' board of directors and executed by the persons authorized by the board of directors duly, with the binding effect on the concerned party.

9.1.5 Validity and effect of the Agreement: The concerned party's execution and performance of the Agreement are free from violations of any existing laws and regulations, any court or competent authority's judgment, order or decision, articles of incorporation or shareholders' meeting resolution, or any contract, agreement, representation, commitment, warranty, guarantee, covenant or other obligation to be bound by the concerned party.

9.1.6 Financial statements: The financial statements already published pursuant to laws, or provided by either party to the other party are all prepared in accordance with the Business Entity Accounting Act or Regulations Governing the Preparation of Financial Reports by Securities Issuers and Taiwan-IFRS, which in all respects fairly present the financial standing and operating results of the current period, free from any false statement, errors, or concealment.

9.1.7 Tax return and payment: Unless otherwise already disclosed to the other party in writing, the tax to be reported by the concerned party and its subsidiaries pursuant to laws has been reported honestly within the statutory time limit and paid up by the due date of payment, and free from delinquent reporting, omitted reporting, underreport, non-collects, under-collects, tax avoidance/evasion or violations of any relevant tax laws and orders. The concerned party and its subsidiaries are not subject to, or do not reasonably foresee, any investigation and demand conducted by any tax collection authority against the concerned party or their subsidiaries. Meanwhile, the concerned party and its subsidiaries are not subject to, or do not reasonably foresee, any re-consideration or administrative suit conducted or to be conducted by the tax collection authority, unless said violations are not likely to pose material adverse impact to the concerned party and its subsidiaries.

9.1.8 Litigious and non-litigious matters: Unless otherwise disclosed in the concerned party's financial statements and expressly stated by it to the other party in writing, there is not any pending litigation, arbitration, administrative

suit, legal proceeding, investigation procedure or similar actions against the concerned party or its subsidiaries, or their property, assets or business, individually or aggregately, that might pose material adverse impact to the business, operation, finance or property of the concerned party and/or its subsidiaries, or execution or performance of the Agreement. To the concerned party's understanding, there is not any threatened litigation, arbitration, administrative suit, legal proceeding, investigation procedure or similar action that might pose material adverse impact to the concerned party and its subsidiaries, and no related facts are available to reasonably foresee said actions.

9.1.9 Assets: The concerned party is entitled to own or use the stated tangible and intangible assets or rights duly, and the use, income and disposition thereof are free from any encumbrances or restrictions, unless otherwise already disclosed to the other party in writing. Unless otherwise disclosed to the other party in writing, the concerned party owns the valid right in, or effective license to use, the tangible and intangible assets (including but not limited to, trademarks, patents, and business secrets) or rights used by the concerned party in the production, manufacturing or sale of its products, and is entitled to continue using the same after the record date for stock exchange. Unless otherwise disclosed to the other party in writing, the intangible assets used by the concerned party in production, manufacturing or sale of products are free from any infringement upon another person's rights.

9.1.10 Liabilities and contingent liabilities: Except the liabilities already disclosed in the concerned party's underlying financial statements or arising from the normal business conduct, the concerned party and its subsidiaries are free from any new liabilities, contingent liabilities, obligation or burden that may pose material adverse impact to its production, from the balance sheet date of the underlying financial statements (namely, March 31, 2020) until the Effective Date and record date for the stock exchange.

9.1.11 Significant contract and commitment: The significant warranties, guarantees or other significant contracts, agreements, representation, understanding, obligation or any disbenefit commitments signed, agreed or undertaken by the concerned part and its subsidiaries in any form have already been disclosed to the other party expressly, free from any false, concealed or other untrue or misleading statement. Meanwhile, said significant contracts or commitments would not pose any material adverse impact to the concerned party and its subsidiaries. The "significant contract and commitment" referred to herein shall mean those surpassing NT$20 million.

9.1.12 Trading of derivatives: All derivatives held by the concerned party and its subsidiaries or trading of derivatives conducted or being conducted by the concerned party and its subsidiaries satisfy related laws and internal control requirements and are free from any violations of laws and internal control requirements that may pose material adverse impact to the concerned party and its subsidiaries.

9.1.13 Transactions with related parties: To the concerned party's understanding, the transactions conducted by the concerned party and its subsidiaries with its related parties, current and former directors, managers, management and

major shareholders all satisfy laws and regulations, and are free from violations of any arm's length principles that may pose material adverse impact to the concerned party and its subsidiaries.

9.1.14 Labor-management relationship: Unless otherwise disclosed to the other party in writing, the concerned party and its subsidiaries are free from any labor dispute, violation of labor laws, or disposition of any labor competent authority that may pose material adverse impact to the concerned party and its subsidiaries. To the concerned party's understanding, none of the concerned parties and its subsidiaries' employees is held violating the employment contract, non-disclosure agreement, or any other contracts between the concerned party and its subsidiaries or another person, that may pose material adverse impact to the concerned party and its subsidiaries.

9.1.15 Environmental protection events: Unless otherwise disclosed to the other party in writing, if, according to related environmental protection laws and regulations, the business operated by the concerned party and its subsidiaries is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and appoint an exclusively responsible unit/officer for environmental issues or comply with similar requirements, the concerned party and its subsidiaries have already satisfied all requirements and are free from any environmental pollution dispute or event, or disposition by the environmental protection unit against environmental pollution, that may pose material adverse impact to the concerned party and its subsidiaries.

9.1.16 Disclosures: All of the documents and information provided by the concerned party to the other party for the Stock Exchange are true and correct, and free from any false statement or concealment that may mislead the other party.

9.1.17 Other important notes: In addition to the representation and warranty made in said clauses, and unless otherwise disclosed to the other party in writing, to the concerned party's understanding, there is not any existing or contingent event that may pose material adverse impact to its production, and no related facts are available to reasonably foresee said actions.

Article 10. Obligation to be Performed by Both Parties Prior to Stock Exchange

Unless otherwise agreed herein or by both parties, or required or banned by laws compulsorily, the concerned party shall undertake to perform the following obligation with due diligence from the Effective Date until the record date for stock exchange:

10.1 Either party's disclosure of any information related to the Agreement or Stock Exchange, if any, shall be subject to the other party's prior written consent, provided that where the disclosure is required by laws or any competent securities authority, it is not necessary to seek the other party's prior consent insofar as it is required by laws, but the concerned party shall still use the best effort to check with the other party prior to the disclosure, in good faith, to make sure the adequacy of such disclosure.

10.2 Both parties shall continue to manage and operate their finance and business

(including subsidiaries and other investees) in accordance with laws, articles of incorporation and internal regulations, by exercising the reasonable care satisfying the regular business practices. Where either party wishes to make any material changes to its finance and business beyond the scope of the regular business practices, it shall give prior notice to the other party, reasonably explain the relevant contents, and seek prior approval from the other party.

10.3 Upon awareness of any circumstances resulting in adjustment on the share swap ratio referred to in Article 4 herein, either party shall notify the other party immediately, and use its best effort to provide any necessary information in good faith.

10.4 Upon awareness of any violation of the representation and warranty referred to in Article 9 herein, either party shall notify the other party immediately, and use its best effort to provide any necessary information in good faith.

10.5 In order to procure and ensure the successful completion of the Stock Exchange, either party shall, in good faith and subject to the business nature, follow the requirements imposed on each party under laws, comply with and handle any necessary legal procedures, and work with each other to deal with or remove any requirement or variable which might affect the successful completion of the Stock Exchange adversely, including but not limited to, timely convention of directors' meeting and shareholders' meeting as required, and completion of reporting or application with, and acquisition of approvals from competent authorities and TWSE pursuant to related laws and regulations.

Article 11. Activities Banned Prior to Completion of the Stock Exchange

Unless otherwise agreed herein or by both parties, or required or banned by laws compulsorily, the concerned party shall undertake to refrain from the following activities without the other party's prior written consent from the Effective Date until the record date for stock exchange:

11.1 Amend the Articles of Incorporation

11.2 The activities or any disposition which poses other material adverse impact to the company's finance, business or property, as referred to in Paragraph 1 of Article 185 of the Company Act, unless otherwise disclosed to the other party in writing prior to the Effective Date.

11.3 Negotiation or execution of the contract or undertaking about any consolidation, stock exchange, division, share swap, major strategic alliance, joint venture, or investment in any company or other profit-seeking organizations with a third party, unless otherwise announced or disclosed to the other party in writing prior to the Effective Date.

11.4 Buyback of issued shares or equity securities, directly or indirectly, by itself or via a

third party, except the buyback of dissenting shareholders' shares in accordance with Article 12 herein.

11.5 Adjust the position of employees ranking managers or above, or change the remuneration, salary and benefits vested in directors, managers or employees, or employ or hire massive employees unfairly, against the regular business practices, unless it is required by performance of the existing undertaking or agreement already disclosed to the other party in writing.

11.6 Resolve or engage in capital increase, issuance of new shares, distribution of stock dividends/bonus or reserve, distribution of equity as remuneration to employees, issuance of Restricted Stock Awards (RSA) or other equity securities, or any agreement or undertaking that might pose material adverse impact to the company's equity structure, unless it is required to perform the obligation already disclosed to the other party in writing.

11.7 Resolve or engage in capital reduction (except the capital reduction resulting from the treasury stock to be cancelled pursuant to laws or recalled RSAs), liquidation, dissolution, reorganization, or declaration of bankruptcy.

11.8 Waive, abandon, give up, or reluctant to claim, any valid right or interest, or engage in any activities harmful to its own that might pose material adverse impact to its operation or finance, unless otherwise disclosed to the other party in writing.

11.9 Take or omit any action, whereby such action or omitted action may be reasonably expected to cause (1) the representation and warranty referred to in Article 9 herein to become untrue or incorrect; or cause (2)it impossible to satisfy the pre-conditions referred to in Article 8 herein.

Article 12. Buyback of Dissenting Shareholders' Shares

12.1 Where any of either party's shareholders expresses dissenting opinion toward the Stock Exchange and demand that the party should buy back the shares held by him/her, the party shall buy back the dissenting shareholders' shares pursuant to laws. The shares bought back pursuant to this provision shall be handled in accordance with related laws and regulations.

Article 13. Protection of Employee Interests and Rights

13.1 Retention and interest & right of both parties' employees upon the Stock Exchange shall be handled in accordance with the Business Mergers and Acquisitions Act and related labor laws, in order to protect employees' valid interests and rights.

13.2 For all of the employees of both parties and their subsidiaries who retain their posts as of the record date for stock exchange, the employment conditions or contract shall not be adjusted or terminated to protect the employees' valid interest and right, unless such adjustment or termination satisfies the labor laws.

Article 14. Rights and Obligations Upon Stock Exchange

14.1 Upon completion of the Stock Exchange, both parties will become the companies limited by shares organized by the newly incorporated holding company as a proprietorship. The functions of each party's shareholders meeting shall be exercised by its board of directors, and no provision about the shareholders' meeting defined under the Company Act shall apply.

14.2 As of the record date for stock exchange, both parties' directors (including independent directors, if applicable) and/or supervisors shall be appointed by the newly incorporated holding company in accordance with Article 128-1 of the Company Act, and served by the original directors appointed by both parties as the first priority.

Article 15. Allocation of Tax and Expenses

15.1 Unless otherwise agreed herein, all taxes or expenses derived from negotiation, execution or performance of the Agreement (including but not limited to, attorney, CPAs, securities underwriter and other consultant fees, and taxes payable by the newly incorporated holding company, either party or its shareholders pursuant to laws) shall be borne by the newly incorporated holding company, both parties and/or their shareholders respectively.

Article 16. Principles for Handling Treasury Stocks, Restricted Stock Awards (RSA) and Equity Securities

16.1 The RSAs issued by both parties upon approval of the competent authority prior to execution of the Agreement shall be converted to the RSAs of the newly incorporated holding company based on the share swap ratio as of the record date for stock exchange, of which the vesting conditions and other conditions of issuance are identical with those set forth in the original issuance rules, provided that the specific implementation thereof shall be adopted by the newly incorporated holding company pursuant to related laws and per the competent authority's instruction.

16.2 The treasury stock bought back by both parties prior to execution of the Agreement but yet transferred on the record date for stock exchange shall be converted to the shares of the newly incorporated holding company based on the share swap ratio as of the record date for stock exchange, and will be continuously held by the concerned party holding the treasury stock initially, to be executed for the purpose of buyback of the treasury stock or pursuant to related laws and regulations in the future. The conditions under which they are transferred shall be as same as the original conditions, provided that the transfer price shall be adjusted subject to the share swap ratio.

Article 17. Termination

17.1 Unless otherwise agreed herein or by both parties, or required or banned by laws compulsorily, the Agreement may be terminated prior to the record date for stock exchange due to any of the following circumstances and no damages or compensation shall be borne by both parties:

17.1.1 Where the shareholders' meeting convened by either party to discuss the motion for the Stock Exchange doesn't resolve to pass the motion, the Agreement shall be terminated automatically.

17.1.2 Where it is impossible to obtain the permits, consents or approvals from any other competent authorities and such failure is irremediable, and thereby cause it impossible to complete the stock exchange, or where any laws, court's judgment/ruling, or order or administrative decision issued by the competent authority, which becomes final and irrevocable, prohibits the stock exchange, and it is impossible to correct the result by adjusting the Agreement, the Agreement shall be terminated automatically.

17.1.3 Where the Stock Exchange is not completed before or on December 31, 2021 (including but not limited to, failure to satisfaction with or waiver of the pre-conditions referred to in Article 8.1~Article 8.3 herein), unless both parties agree to extend the time limit for completion of the Stock Exchange in writing separately, the Agreement shall be terminated automatically at 12:00AM on the next day (namely, January 1, 2022).

17.1.4 The Agreement is terminated upon both parties' agreement, if any.

17.2 Upon termination of the Agreement, both parties shall take immediate actions required to suspend the Stock Exchange, and either party may ask the other party to return the documents, information, files, objects, plans, business secrets and other tangible or intangible information accessed by the other party due to the Stock Exchange, within 15 days, provided that reproduction and related information may be retained, insofar as it is required to comply with laws and regulations, while the details about the retained documents shall be notified to the other party and the custody and use of related information shall follow Article 20 herein and related laws & regulations.

Article 18. Response to Breach of Contract

18.1 Either party's violation of Article 9, Article 10, or Article 11 herein prior to the record date for stock exchange, if any, shall constitute a material breach of the Agreement. The non-breaching party may notify the breaching party in writing to correct or adjust the share swap ratio. Where the breaching party fails to make the correction within 30 days upon receipt of the notice, or where it is impossible for both parties' boards of directors to adjust the share swap ratio within 30 days upon receipt of the notice, unless both parties agree to extend said time limit, the non-breaching party

may terminate the Agreement by giving a written notice. Either party's refusal to apply for, or delay in applying for, the permits, approvals or declaration required to effectuate the Stock Exchange with the competent authority without good cause, if any, shall constitute a material breach of the Agreement.

18.2 Either party which violates any provision herein shall be liable for the damages suffered by the non-breaching party, including but not limited to, attorney, CPA, securities underwriter and other consultant fees.

Article 19. Increase in the Number of Companies Participating in Stock Exchange

19.1 Where both parties, upon resolution by their boards of directors for the Stock Exchange and announcement of the message about the Stock Exchange to the public, agree with any other companies to engage in the Stock Exchange separately, the procedures and activities already completed by both parties pursuant to laws (e.g. convention of directors' meetings and shareholders' meetings to resolve the Stock Exchange and execution of stock exchange agreement) shall be re-done by all of the companies participating in the Stock Exchange, which shall also re-execute a stock exchange agreement jointly with respect to the stock exchange.

Article 20. Confidentiality

20.1 Any confidential information accessed or known by either party from the other party due to the Stock Exchange (including but not limited to, documents, information, files, objects, plans, business secrets and any other tangible and intangible information which is identified as confidential in nature) shall be kept confidential and the party is prohibited from disclosing, or making available, the same to any person unrelated to the Stock Exchange, directly or indirectly, for its own or a third party's interest, except those already in the public domain or required to be disclosed pursuant to laws. Without the other party's prior written consent, or unless it is necessary to evaluate and implement the Stock Exchange, neither party is allowed to use the contents and confidential information related to the Stock Exchange, in whole or in part, for its own or a third party's interest or for any other purposes, or copy, reproduce, sell, assign, license or transfer the confidential information to any third party. The non-disclosure obligation to be borne by both parties herein shall still survive within two years upon termination of the Agreement.

Article 21. Other Covenants

21.1 The interpretation, effect, and performance of the Agreement shall be governed by the R.O.C. laws. Any other not provided herein shall be handled in accordance with related laws.

21.2 Both parties agree to settle any dispute arising from the Agreement through

negotiation in good faith at first. Where it is impossible to reach agreement on the dispute within one month since the negotiation is started, both parties agree to refer the dispute to the Chinese Arbitration Association, Taipei for an arbitration in accordance with the Arbitration Laws of ROC and Arbitration Rules of Chinese Arbitration Association, Taipei prevailing. There shall be three arbitrators, consisting of one arbitrator designated by either party and the other one designated by the other party, and the presiding arbitrator recommended by the two arbitrators. The arbitration award rendered therefore shall have a binding effect on both parties.

21.3 Where any provision herein is held invalid as it is against related laws and regulations, only the part thereof against the laws shall be held invalid, while the other parts thereof and remaining provisions herein shall remain effective. Upon resolution by both parties' boards of directors, any provision found against related laws and held invalid shall be replaced by another provision agreed by the persons duly authorized by both parties' boards of directors, insofar it is permitted by laws. Where any provision herein is required to be changed per instruction by the competent authority or TWSE, upon resolution by the newly incorporated holding company and/or both parties' boards of directors, the persons authorized by the newly incorporated holding company and/or both parties' boards of directors duly shall make the change per instruction without approval from a shareholders' meeting.

21.4 The amendments to or changes of the Agreement, if any, shall be agreed by both parties in writing.

21.5 The expression or notice of intention to be given under the Agreement shall not become effective until it is served to either party's address specified on the signature page via registered mail or by personal delivery. In the event of changes of the address to receive service, the party making the change shall notify the other party in writing; otherwise, such changes of address cannot be set up as a defense against any third party.

21.6 Unless otherwise expressly agreed by both parties herein, any agreement, understanding or commitment made with respect to the Stock Exchange, verbally or in writing, prior to the Effective Date shall become invalid upon execution of the Agreement.

21.7 The headings used in any provisions herein are provided for convenient reference only, which cannot serve as the basis for interpretation of the provisions herein.

21.8 Without the other party's prior written consent, neither party shall assign its rights herein to any third party, in whole or in part, or have any third party bear the obligation herein, in whole or in part. The Agreement shall have the binding effect on each party's assignees or successors.

21.9 All attachments hereto shall constitute a part of the Agreement with the same

effect as the Agreement.

21.10 The Agreement is made out in duplicate, and each party retains one original copy respectively.

21.11 The Agreement shall become effective upon both parties' execution and delivery of the same.

[Blank below]

Acknowledged and Agreed by:

EPISTAR Corporation	Lextar Electronics Corp.
Chairman: B.J. Lee	Chairman: Feng-Cheng, Su
Address: 21, Li-hsin Rd., Hsinchu Science Park, Hsinchu	Address: No. 3, Gongye E. 3rd Road, Hsinchu Science Park, Hsinchu

June 18, 2020

Amendment to Joint Stock Exchange Agreement

This Amendment to Joint Stock Exchange Agreement (the "**Amendment**") is entered into and made as of the 9th day of July, 2020, by and between **EPISTAR Corporation**, a company duly incorporated under the laws of the Republic of China, having its principal office located at 21, Li-hsin Rd., Hsinchu Science Park, Hsinchu, Taiwan ("**EPISTAR**") and **Lextar Electronics Corporation**, a company duly incorporated under the laws of the Republic of China, having its principal office located at 3, Gongye E. 3rd Rd., East Dist., Hsinchu, Taiwan ("**Lextar**").

WITNESSETH:

WHEREAS, EPISTAR and Lextar have entered into the Joint Stock Exchange Agreement dated as of the 18th day of June, 2020 (the "**Agreement**") in which the parties agree to found the newly incorporated holding company in the form of joint stock exchange to have the newly incorporated holding company acquire the whole issued shares of EPISTAR and Lextar;

WHEREAS, the parties desire and are willing to amend the terms and conditions of the Agreement;

NOW THEREFORE, in consideration of the foregoing and the mutual provisions of the Amendment, the parties hereby mutually agree as follows:

1. The Appendix 1: "Articles of Incorporation" of the Agreement shall be amended to read in its entirety and replaced with the **Exhibit A** hereof. The parties shall make reasonable commercial efforts to enable the shareholders' meeting, which is deemed as the promoters' meeting of the newly established holding company, to adopt the Articles of Association.
2. This Amendment is deemed as a part of the Agreement. Except as amended hereby, all the terms and conditions of the Agreement remain unchanged and shall continue in full force and effect in accordance with its term.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed in duplicate by their respective duly authorized representatives on the date first above written.

EPISTAR Corporation	LEXTAR Electronics Corp.
Chairman: Biing-Jye Lee	Chairman: Feng Cheng (David) Su
Address: 21, Li-hsin Rd., Hsinchu Science Park, Hsinchu	Address: No. 3, Gongye E. 3rd Road, Hsinchu Science Park, Hsinchu

Attachment 1in the supplementary agreement

A Holding Co., Ltd.
Articles of Incorporation

Chapter 1 General Provisions

Article 1 This Company is incorporated in accordance with the provision of the Company Limited by Shares of the Company Act, the full name of the Company is A Holding Co., Ltd.

Article 2 The scope of business operated by this company shall be as follows:
H201010 General investment
1.

Article 3 The Company may provide guarantee for other companies and proceed it in compliance with the Company's guarantee operation procedure.

Article 4 When the Company reinvests in another company as a liability-limited shareholder, the total amount of the Company's reinvestment shall not be subject to the restriction of not more than 40% of the Company's paid-up capital as provided in the Company Act.

Article 5 The Company is headquartered in Hsinchu City Taiwan and may have branches, offices or business offices set elsewhere domestically and abroad as resolved by the Board of Directors.

Article 6 Public announcement of the Company shall be handled in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 7 The approved capital of the Company is NT$ 15,000,000,000 divided into 1,500,000,000 shares, at NT$10 par value, and may be issued separately. Among the above-mentioned shares, 50,000,000 shares shall be retained for the exercise of stock options through the issued stock option vouchers, special shares with stock options and bonds with stock options.

Article 8 The issuance of any employee stock options of which the stock option price is less than the closing price shall be determined by a vote of two-thirds of the shareholders attending who represent a majority of the total shares issued, and then shall be reported and handled separately in a year from the date of the resolution at the shareholders' meeting.

Article 9 The transfer of stocks to employees by the Company at the price less than the average price at which the Company has bought the stocks back shall be determined by a vote of two-thirds of the shareholders attending who represent a majority of the total shares issued. In the subjects of convening the meeting of shareholders, the following items shall be mentioned and explained, and shall not be presented through provisional

motions.

1. Transfer price, discount ratio, calculation basis and its rationality
2. Shares to be transferred, purpose and its rationality
3. Qualifications and conditions for the employees entitled to stock options, and shares allowed to be acquired
4. Items affecting shareholders' equity:
   (1) Amount that might be recognized as expense, and its effect on dilution of the Company's EPS
   (2) Any financial burden to the Company because of the stock transferred to employees at the price less than the average price at which the Company has bought the stock back shall be explained.

Article 10 The object of transfer of treasury shares bought back by the Company may include the employees of parents or subsidiaries of the Company who meet certain conditions.

The object of issue of employee stock option certification of the Company may include the employees of parents or subsidiaries of the Company who meet certain conditions.

The object of issue of restricted stock for employees may include the employees of parents or subsidiaries of the Company who meet certain conditions.

The object of subscription of new shares of the Company may include the employees of parents or subsidiaries of the Company who meet certain conditions.

The term of "certain conditions" in this Article is authorized to be set by Board of Directors.

Article 11 The Company is exempted from printing share certificate in accordance with the provisions of Article 161-2 of the Company Act, but shall register the issued shares with the centralized securities depositary enterprise and follow the regulations of that enterprise.

Article 12 The transfer of stock shall not be made 60 days prior to shareholders' general meeting, 30 days prior to shareholders' extraordinary meeting, or 5 days prior to dividends and bonus distribution or other interest distribution.

Article 13 Except otherwise provided in laws, share matters of the Company shall be handled in compliance with regulations provided by authorities.

Chapter 3 Shareholders' Meeting

Article 14 There are two kinds of shareholders' meetings in the Company: the General Meetings and extraordinary Meetings. General meeting shall be held once a year. The board of directors shall convene a general meeting

within 6 months after the final account at the end of each fiscal year. A extraordinary meeting will be held if necessary.

Article 15 The general meeting shall be convened by sending the notification to shareholders 30 days prior to the meeting date upon convening. The extraordinary meeting shall be convened by sending the notification to shareholders 15 days prior to the meeting date upon convening. In the notification, the date, place, and subjects of the meeting shall be indicated.

Article 16 Shareholders of the Company have one vote for each share they hold. After the Company is listed, the means of electronic transmission is one of the channels for shareholders to exercise their voting rights.

Article 17 Except otherwise provided in applicant laws, resolutions of the shareholders' meeting shall be made by a vote of a majority of the shareholders attending who represent a majority of the total number of shares issued.

Article 18 The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the chop of the chairman of the meeting, and distributed to each shareholder within 20 days after the meeting date. The Company may have the minutes served through a public announcement.

Chapter 4 Directors, Supervisors and the Audit Committee

Article 19 The Company shall have five to thirteen directors and two supervisors who shall be elected at a shareholders' meeting from persons of legal capacity. The term of office is three years, and all directors and supervisors shall be eligible for re-election. The by-election and re-election after the establishment will adopt the candidates nomination system, and the directors and supervisors will be elected from the list of candidates and be eligible for re-election.

When the Company applies the regulations of independent directors, the number of independent directors to be elected among the number of directors in the preceding paragraph shall not be less than three, and shall not be less than one fifth of the number of directors.

The independent directors' professional qualifications, shareholding, concurrent position restrictions, independence determination, nomination and selection methods, and other compliance matters shall be handled in accordance with the relevant laws and regulations.

The Company shall set up a functional committee in accordance with the requirements of the law and depending on the Company's needs.

The Company may purchase liability insurance for the directors and

supervisors, to the extent of the compensation responsibility assumed in business execution in their term of office according to law. The Board of Directors is authorized to determine the remuneration of directors and supervisors, based on the level of participation and the value of contribution to the Company's business operations and taking into account the common remuneration level in the same industry.

Article 19-1 The Company is a newly incorporated company that is listed by share exchange in accordance with the provisions of Article 31 of the Business Mergers and Acquisitions Act, and the regulations of independent directors shall apply from the year when the first term of the directors and supervisors expires. However, in accordance with practical needs, before the expiration of the first term, the Board of Directors may decide to apply the provisions of independent directors in advance, and in accordance with the provisions of Article 14-4 of the Securities Exchange Act, to set up an audit committee to replace the supervisors. The audit committee is composed of all independent directors. If it is decided to set up an audit committee during the first term, the supervisors will be dismissed at the same time when the audit committee is formed.

The composition of the audit committee, authority, rules of procedure and other compliance matters shall be handled in accordance with the relevant regulations of the competent authority. During the establishment of the audit committee, the terms of the supervisors in this Article of Incorporation shall cease to apply except that the supervisors may still apply for the payment of the supervisor’s remuneration for the year in which he/she is appointed.

Article 20 The Board of Directors is organized by the directors. The directors shall elect a Chairman of the Board of Directors, and may elect Vice Chairman of the Board of Directors, from among themselves by a majority in a meeting attended by more than Two-thirds of directors. The Chairman shall have the authority to represent the Company. The Chairman shall preside at the meeting for the Board of Directors. In the event Chairman is incapable of performing duties, Vice Chairman shall act on his behalf pursuant to the Article 208 of the Company Act. If there is no Vice-Chairman or Vice-Chairman who also asks for leave or is incapable of performing duties, the Chairman shall appoint one of the directors to act on his behalf. In case the Chairman fails to appoint any director to act on his behalf, the person to act on his behalf may be elected by and among the directors. , Directors shall attend the board meeting in person. Any director who is unable to attend the board meeting shall appoint another director as his proxy. Each director is limited to act as a proxy by one

person only.

Article 21 The Board of Directors' (hereinafter "BOD") meeting should be convened at least once every quarter. Each BOD director and supervisor is entitled to be informed with the agenda 7 days prior to the meeting. However, an ad-hoc meeting may occur in the case of emergency.
The notification of the aforesaid meeting can be made in written, via email or facsimile or other electronic manner.

Chapter 5 Managers and Employees

Article 22 The Company shall have one President whose appointment, discharge and remuneration shall be handled according to Article 29 of the Company Act. For the appointment or demission of other non-appointed managers (including but not limited to vice president), the president shall obtain the Chairman's consent then submit to the Board of Directors to be approved by a majority of directors in a meeting attended by more than half of the directors.

Chapter 6 Accounting

Article 23 The Company's fiscal year starts from January 1 and ends on December 31. At the end of every year, the Board of Directors shall prepare the statements and records of accounts in compliance with the Company Act and submit it to shareholders' general meeting for recognition.

Article 24 The Company shall dispatch 10% to 20% of the annual profit to the employee remuneration and no more than 2% to directors and supervisors as remuneration. However, when the Company still has accumulated losses, the Company shall offset the accumulated losses.
The "annual profit" in the preceding paragraph means the year's pre-tax benefits before deducting the distribution of employees' remuneration and directors and supervisors' remuneration.
Employee remuneration could be by stock or by cash. The object of the issue of shares or cash including the employees of subsidiaries or parents of the Company who meet certain conditions. The term of "certain condition" is authorized to be set by the Board of Directors.
Dispatched remuneration of employees and directors shall be decided by the Board of Directors with more than two-thirds of the directors present and resolved by majority of the attended directors and report to shareholder meeting.

Article 25 The surplus earning distribution or loss offsetting of the Company may be made after the end of each quarter.
If there is any proposal of surplus earning distribution or loss offsetting of the Company in the first three quarters, it, together with the business

report and financial statements, should be forwarded to supervisors for their auditing, and afterwards be submitted to the Board of Directors for approval before the end of the next quarter. If such surplus earning is distributed in the form of cash, it shall be resolved by the Board of Directors and reported to the shareholders' meeting in accordance with the provisions of Article 228-1 and paragraph 5, Article 240 of Company Act.

The Company shall distribute the after-tax profit after annual accounting settlement, shall first make up for the losses, then allocate 10% as legal reserve. However while such legal reserve amounts to the total authorized capital, this provision shall not apply and, if necessary, allocate or reverse special reserve. Balance plus the previous cumulative undistributed earnings to be allocated surplus, in addition to discretion of reservations, the distribution shall be proposed by the Board of directors, if the proposal is to distribute by issuing new shares, it shall be submitted to shareholders' meeting for resolution; if the proposal is to distribute by cash, it shall be resolved by the Board of directors, and the distribution ratio shall base on the proportion of shares held by each shareholder. Pursuant to the provisions of Article 241 of the Company Act, the Company authorizes the Board of Directors to distribute all or part of the legal reserve and capital reserve by cash under the resolution which has been adopted by a majority vote at a meeting of the board of directors attended by more than two-thirds of all the directors, and the distribution shall be reported to the shareholders' meeting after resolved.

The Company is in the stable growth period. To in line with current and future development plans, investment environment, fund demand and competition from domestic and foreign regions, the distribution of earnings shall be executed in compliance with each of the above regulations, for which shareholders' interest and capital adequacy ratio shall be also taken into account. Besides, the shareholders' dividends to be distributed for the year is in the range from 10% to 80% of the distributable surplus for the year, and the ratio of cash dividends to be distributed shall not be less than 10% of the total dividends to be distributed.

Chapter 7 Supplementary Provisions

Article 26 Any relevant matter not provided for in these articles of incorporation shall be handled in accordance with related regulations.

Article 27 The Articles of Incorporation was set up at the meeting of the promoters on August 7,2020 .

Attachment 4

ENNOSTAR Inc.
Articles of Incorporation

Resolved by the promoters' meeting on August 7, 2020

Chapter 1 General Provisions

Article 1 This Company is incorporated in accordance with the provision of the Company Limited by Shares of the Company Act, the full name of the Company is ENNOSTAR Inc.

Article 2 The scope of business operated by this company shall be as follows:
H201010 General investment
2.

Article 3 The Company may provide guarantee for other companies and proceed it in compliance with the Company's guarantee operation procedure.

Article 4 When the Company reinvests in another company as a liability-limited shareholder, the total amount of the Company's reinvestment shall not be subject to the restriction of not more than 40% of the Company's paid-up capital as provided in the Company Act.

Article 5 The Company is headquartered in Hsinchu City Taiwan and may have branches, offices or business offices set elsewhere domestically and abroad as resolved by the Board of Directors.

Article 6 Public announcement of the Company shall be handled in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 7 The approved capital of the Company is NT$ 15,000,000,000 divided into 1,500,000,000 shares, at NT$10 par value, and may be issued separately. Among the above-mentioned shares, 50,000,000 shares shall be retained for the exercise of stock options through the issued stock option vouchers, special shares with stock options and bonds with stock options.

Article 8 The issuance of any employee stock options of which the stock option price is less than the closing price shall be determined by a vote of two-thirds of the shareholders attending who represent a majority of the total shares issued, and then shall be reported and handled separately in a year from the date of the resolution at the shareholders' meeting.

Article 9 The transfer of stocks to employees by the Company at the price less than the average price at which the Company has bought the stocks back shall be determined by a vote of two-thirds of the shareholders attending who represent a majority of the total shares issued. In the subjects of convening the meeting of shareholders, the following items shall be mentioned and explained, and shall not be presented through provisional

motions.

5. Transfer price, discount ratio, calculation basis and its rationality
6. Shares to be transferred, purpose and its rationality
7. Qualifications and conditions for the employees entitled to stock options, and shares allowed to be acquired
8. Items affecting shareholders' equity:
   (3) Amount that might be recognized as expense, and its effect on dilution of the Company's EPS
   (4) Any financial burden to the Company because of the stock transferred to employees at the price less than the average price at which the Company has bought the stock back shall be explained.

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The object of issue of employee stock option certification of the Company may include the employees of parents or subsidiaries of the Company who meet certain conditions.

The object of issue of restricted stock for employees may include the employees of parents or subsidiaries of the Company who meet certain conditions.

The object of subscription of new shares of the Company may include the employees of parents or subsidiaries of the Company who meet certain conditions.

The term of "certain conditions" in this Article is authorized to be set by Board of Directors.

Article 11 The Company is exempted from printing share certificate in accordance with the provisions of Article 161-2 of the Company Act, but shall register the issued shares with the centralized securities depositary enterprise and follow the regulations of that enterprise.

Article 12 The transfer of stock shall not be made 60 days prior to shareholders' general meeting, 30 days prior to shareholders' extraordinary meeting, or 5 days prior to dividends and bonus distribution or other interest distribution.

Article 13 Except otherwise provided in laws, share matters of the Company shall be handled in compliance with regulations provided by authorities.

Chapter 3 Shareholders' Meeting

Article 14 There are two kinds of shareholders' meetings in the Company: the General Meetings and extraordinary Meetings. General meeting shall be held once a year. The board of directors shall convene a general meeting

within 6 months after the final account at the end of each fiscal year. A extraordinary meeting will be held if necessary.

Article 15 The general meeting shall be convened by sending the notification to shareholders 30 days prior to the meeting date upon convening. The extraordinary meeting shall be convened by sending the notification to shareholders 15 days prior to the meeting date upon convening. In the notification, the date, place, and subjects of the meeting shall be indicated.

Article 16 Shareholders of the Company have one vote for each share they hold. After the Company is listed, the means of electronic transmission is one of the channels for shareholders to exercise their voting rights.

Article 17 Except otherwise provided in applicant laws, resolutions of the shareholders' meeting shall be made by a vote of a majority of the shareholders attending who represent a majority of the total number of shares issued.

Article 18 The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the chop of the chairman of the meeting, and distributed to each shareholder within 20 days after the meeting date. The Company may have the minutes served through a public announcement.

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Article 19 The Company shall have five to thirteen directors and two supervisors who shall be elected at a shareholders' meeting from persons of legal capacity. The term of office is three years, and all directors and supervisors shall be eligible for re-election. The by-election and re-election after the establishment will adopt the candidates nomination system, and the directors and supervisors will be elected from the list of candidates and be eligible for re-election.

When the Company applies the regulations of independent directors, the number of independent directors to be elected among the number of directors in the preceding paragraph shall not be less than three, and shall not be less than one fifth of the number of directors.

The independent directors' professional qualifications, shareholding, concurrent position restrictions, independence determination, nomination and selection methods, and other compliance matters shall be handled in accordance with the relevant laws and regulations.

The Company shall set up a functional committee in accordance with the requirements of the law and depending on the Company's needs.

The Company may purchase liability insurance for the directors and

supervisors, to the extent of the compensation responsibility assumed in business execution in their term of office according to law. The Board of Directors is authorized to determine the remuneration of directors and supervisors, based on the level of participation and the value of contribution to the Company's business operations and taking into account the common remuneration level in the same industry.

Article 19-1 The Company is a newly incorporated company that is listed by share exchange in accordance with the provisions of Article 31 of the Business Mergers and Acquisitions Act, and the regulations of independent directors shall apply from the year when the first term of the directors and supervisors expires. However, in accordance with practical needs, before the expiration of the first term, the Board of Directors may decide to apply the provisions of independent directors in advance, and in accordance with the provisions of Article 14-4 of the Securities Exchange Act, to set up an audit committee to replace the supervisors. The audit committee is composed of all independent directors. If it is decided to set up an audit committee during the first term, the supervisors will be dismissed at the same time when the audit committee is formed.

The composition of the audit committee, authority, rules of procedure and other compliance matters shall be handled in accordance with the relevant regulations of the competent authority. During the establishment of the audit committee, the terms of the supervisors in this Article of Incorporation shall cease to apply except that the supervisors may still apply for the payment of the supervisor’s remuneration for the year in which he/she is appointed.

Article 20 The Board of Directors is organized by the directors. The directors shall elect a Chairman of the Board of Directors, and may elect Vice Chairman of the Board of Directors, from among themselves by a majority in a meeting attended by more than Two-thirds of directors. The Chairman shall have the authority to represent the Company. The Chairman shall preside at the meeting for the Board of Directors. In the event Chairman is incapable of performing duties, Vice Chairman shall act on his behalf pursuant to the Article 208 of the Company Act. If there is no Vice-Chairman or Vice-Chairman who also asks for leave or is incapable of performing duties, the Chairman shall appoint one of the directors to act on his behalf. In case the Chairman fails to appoint any director to act on his behalf, the person to act on his behalf may be elected by and among the directors. , Directors shall attend the board meeting in person. Any director who is unable to attend the board meeting shall appoint another director as his proxy. Each director is limited to act as a proxy by one

person only.

Article 21 The Board of Directors' (hereinafter "BOD") meeting should be convened at least once every quarter. Each BOD director and supervisor is entitled to be informed with the agenda 7 days prior to the meeting. However, an ad-hoc meeting may occur in the case of emergency.
The notification of the aforesaid meeting can be made in written, via email or facsimile or other electronic manner.

Chapter 5 Managers and Employees

Article 22 The Company shall have one President whose appointment, discharge and remuneration shall be handled according to Article 29 of the Company Act. For the appointment or demission of other non-appointed managers (including but not limited to vice president), the president shall obtain the Chairman's consent then submit to the Board of Directors to be approved by a majority of directors in a meeting attended by more than half of the directors.

Chapter 6 Accounting

Article 23 The Company's fiscal year starts from January 1 and ends on December 31. At the end of every year, the Board of Directors shall prepare the statements and records of accounts in compliance with the Company Act and submit it to shareholders' general meeting for recognition.

Article 24 The Company shall dispatch 10% to 20% of the annual profit to the employee remuneration and no more than 2% to directors and supervisors as remuneration. However, when the Company still has accumulated losses, the Company shall offset the accumulated losses.
The "annual profit" in the preceding paragraph means the year's pre-tax benefits before deducting the distribution of employees' remuneration and directors and supervisors' remuneration.
Employee remuneration could be by stock or by cash. The object of the issue of shares or cash including the employees of subsidiaries or parents of the Company who meet certain conditions. The term of "certain condition" is authorized to be set by the Board of Directors.
Dispatched remuneration of employees and directors shall be decided by the Board of Directors with more than two-thirds of the directors present and resolved by majority of the attended directors and report to shareholder meeting.

Article 25 The surplus earning distribution or loss offsetting of the Company may be made after the end of each quarter.
If there is any proposal of surplus earning distribution or loss offsetting of the Company in the first three quarters, it, together with the business

report and financial statements, should be forwarded to supervisors for their auditing, and afterwards be submitted to the Board of Directors for approval before the end of the next quarter. If such surplus earning is distributed in the form of cash, it shall be resolved by the Board of Directors and reported to the shareholders' meeting in accordance with the provisions of Article 228-1 and paragraph 5, Article 240 of Company Act.

The Company shall distribute the after-tax profit after annual accounting settlement, shall first make up for the losses, then allocate 10% as legal reserve. However while such legal reserve amounts to the total authorized capital, this provision shall not apply and, if necessary, allocate or reverse special reserve. Balance plus the previous cumulative undistributed earnings to be allocated surplus, in addition to discretion of reservations, the distribution shall be proposed by the Board of directors, if the proposal is to distribute by issuing new shares, it shall be submitted to shareholders' meeting for resolution; if the proposal is to distribute by cash, it shall be resolved by the Board of directors, and the distribution ratio shall base on the proportion of shares held by each shareholder. Pursuant to the provisions of Article 241 of the Company Act, the Company authorizes the Board of Directors to distribute all or part of the legal reserve and capital reserve by cash under the resolution which has been adopted by a majority vote at a meeting of the board of directors attended by more than two-thirds of all the directors, and the distribution shall be reported to the shareholders' meeting after resolved.

The Company is in the stable growth period. To in line with current and future development plans, investment environment, fund demand and competition from domestic and foreign regions, the distribution of earnings shall be executed in compliance with each of the above regulations, for which shareholders' interest and capital adequacy ratio shall be also taken into account. Besides, the shareholders' dividends to be distributed for the year is in the range from 10% to 80% of the distributable surplus for the year, and the ratio of cash dividends to be distributed shall not be less than 10% of the total dividends to be distributed.

Chapter 7 Supplementary Provisions

Article 26 Any relevant matter not provided for in these articles of incorporation shall be handled in accordance with related regulations.

Article 27 The Articles of Incorporation was set up at the meeting of the promoters on August 7,2020 .

Attachment 5

ENNOSTAR Inc.
Rules for the Procedures of the Shareholders' Meeting

Resolved in the founder's meeting on August 7, 2020.

1. Unless otherwise provided in laws or regulations, a Shareholders' meeting shall be conducted in compliance with the Rules of Procedure.
2. While convening the meeting, an attendance register shall be prepared for shareholders present at the meeting to sign-in. A shareholder present shall submit the attendance card in place of sign-in. The number of shares represented by shareholders present in the meeting shall be calculated in accordance with the attendance register or attendance cards submitted by the shareholders present.
3. The attendance of the meeting and voting in the meeting shall be based on the calculation of shares.
4. The number of shares represented by shareholders present in the meeting shall be calculated in accordance with the attendance cards submitted by the shareholders present. A shareholder present (or proxy) shall wear certificate of attendance and submit the attendance card in place of signing-in.
5. The meeting shall be held at the office of the Company, or any other appropriate place that is convenient for the shareholders and suitable for the meeting to be held. The starting time of the meeting shall not be earlier than 9 am or later than 3 pm.
6. If the meeting is convened by the Board of Directors (the "BOD"), the Chairman of the BOD shall be the chairman of the meeting. If Chairman is on leave, or cannot execute his or her authority for any reason, the Vice Chairman shall preside over the meeting. If there is no Vice Chairman or the Vice Chairman is also on leave, or cannot execute his or her authority for any reason, Chairman shall designate one of the Managing Directors to act on behalf of him or her. If there is no Managing Director, Chairman shall designate one of the directors to preside over the meeting. If Chairman does not designate any proxy to preside over the meeting on his or her behalf, the Managing Directors or directors shall elect one from among themselves to preside over the meeting.

   If the meeting is convened by any other person entitled to convene the meeting, not by the BOD, such person shall preside over the meeting.
7. The Company may designate its lawyers, CPAs or relevant parties to attend the meeting.

   The team members handling the business of the meeting shall wear an identification card or a badge.
8. The chairman may engage disciplinary officers (or security personnel) to assist on keeping the order of the meeting. Such disciplinary officers (or security personnel) shall wear a badge marked "Disciplinary Officers".

9. Any participants of the Shareholders' meeting shall not bring items which might endanger human life, health, liberty or property.
10. The chairman may engage police officers to assist on keeping the order of the meeting.
11. The whole proceedings of the meeting shall be videotaped or tape-recorded. The preceding tapes shall be preserved for at least one year.
12. The chairman shall call the meeting according to meeting schedule. If the number of shares represented by the shareholders present at the meeting has not yet reached more than 50% of the total issued and outstanding shares of the Company, the chairman may postpone the meeting. The postponements shall be limited to twice at most and the meeting may not be postponed longer than one hour in total. If the shares of the shareholders present at the meeting represent has not yet reached more than 50% but 1/3 of the total issued and outstanding shares or more after the meeting being postponed twice, a tentative resolution may be adopted in accordance with Paragraph 1 of Article 175 of the Company Act R.O.C.
    Before the adjournment of the meeting, if the number of shares represented by the shareholders present at the meeting reaches more than 50% of the total issued and outstanding shares, the chairman may submit the adopted tentative resolution to the meeting for approval in accordance with Article 174 of the Company Act R.O.C.
13. If the meeting is convened by the BOD, the agenda of the meeting shall be set by the BOD. The meeting shall proceed in accordance with the agenda, unless otherwise resolved by the meeting.
    The preceding paragraph shall apply to cases where the meeting is convened by a person, other than the BOD, entitled to convene such meeting.
    Unless otherwise resolved by the meeting, the chairman shall not adjourn the meeting before all of discussion items (including extraordinary motions) have been resolved.
    After the meeting is adjourned, shareholders shall not elect another chairman to continue the meeting on site or at another venue.
14. A meeting shall proceed in accordance with the agenda. In case the speech of any shareholder violates the above provision, the chairman may ask such shareholder to stop speaking.
    Except for the discussion items listed in the agenda of the meeting, other motions or amendments or alternatives of the discussion items made by a shareholder at the meeting shall be seconded by other shareholders.
15. A shareholder who intends to speak in the meeting shall fill out a speech note, specifying therein the summary of the speech, the shareholder's number (or the number of his or her certificate of attendance) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. A shareholder who only submits his or her speech note but does not actually speak in

the meeting shall be considered as not having given such a speech. If the content of the speech of the shareholder are different from the contents of the speech note, the contents of actual speech shall prevail.

When a shareholder is giving a speech, the other shareholders shall not interrupt the speech unless they have obtained the consent from the chairman and the said shareholder. For any such violations, the chairman shall stop the interruption immediately.

16. Unless otherwise permitted by the chairman, each shareholder shall not speak more than twice for each discussion item. Each speech shall not take more than 5 minutes. In the case that any speech violates the foresaid provisions or exceeds the scope of the discussion item, the chairman may ask such shareholder to stop speaking.
17. A legal entity that is appointed as a proxy to attend the meeting can only designate one representative to attend the meeting.

    If a corporate shareholder designates two or more representatives to attend the meeting, only one representative can speak for each discussion item.
18. After the speech of a shareholder, the chairman may respond by himself/herself or appoint an appropriate person to respond.
19. The chairman may announce to end the discussion on the discussion items and submit them to be resolved when the chairman deems appropriate.
20 Unless a majority of more than 50% is required by the Company Act R.O.C. or the Articles of Incorporation, a resolution of the meeting shall be adopted by at least 50% majority of votes represented by the shareholders present at the meeting.

    The calculation of votes represented by the shareholders is based on the Articles in the Company Act R.O.C. or the Articles of Incorporation. A resolution of the meeting shall be adopted if it has been voted. If no objection is voiced after solicitation by the chairman, the resolution shall be deemed adopted and shall have the same effect as if it has been voted.

    If there is an amendment or alternative for a discussion item, the chairman may combine the amendment or alternative into the original discussion item, and determine the sequence of voting for such discussion item. If any above item has been resolved, the others shall be deemed vetoed and no further voting is required.
21. Scrutinizers and vote counters shall be designated by the chairman. The result of voting shall be announced at the meeting, and recorded in the meeting minutes.

    Scrutinizer shall be the shareholders. The supervisory work includes supervising the procedure of voting, improper voting, vote validation and the record prepared by vote counters.

    A ballot is invalid if one of the following conditions is met and the vote shall not be counted:

    (1) Not using ballots printed by the Company.
    (2) A ballot which is not inserted into the ballot box.

(3) A blank ballot without written words or written comments based on discussion items.
(4) A ballot with written words other than required items.
(5) The handwriting is blurred, not identifiable, or written over.
(6) The proxy violates “Rules Governing the Use of Proxies for Attendance at Shareholders’ Meetings of Public Companies” in handling ballots.

22. During the meeting, the chairman may set time for intermission at his or her discretion.
23. In the event of any air-raid alarm, earthquake or force majeure, the chairman may adjourn the meeting temporarily and the participants shall evacuate themselves respectively. The chairman shall resume the meeting subject to the actual situation.
24. Any matters insufficiently address herein shall be subject to the Company Act R.O.C., laws and regulations or Articles of Incorporations concerned.
25. The Rules of Procedure and any amendment thereto, shall be implemented after approval by the Shareholders’ Meeting.

Attachment 6

ENNOSTAR Inc.
Rules for Elections of Directors and Supervisors

Approved in the founders; meeting on August 7,2020.

1. Unless otherwise stipulated in regulations or Articles of Incorporation of ENNOSTAR Inc. (hereinafter "the Company"), the election(s) of directors and supervisors of the Company shall be subject to the Rules of Electing Directors and Supervisors (hereinafter "the Rules").
2. The election(s) of the Company's directors and supervisors may be conducted individually or simultaneously in Stockholders' Meeting. The Company should prepare the ballots for directors and supervisors separately, and mark the weighting of each vote. The election of directors and supervisors shall be conducted in accordance with candidates' nomination system and procedures stipulated in Article 192-1 of the Company Act.
   Where the Company has established an Audit Committee under Article 19-1 of the Articles of Incorporation, the provisions regarding supervisors shall be no longer applicable within the tenure of an Audit Committee.
3. The cumulative voting method shall be used for the election of directors and supervisors in the Company. Each share will have voting rights in number equal to the directors or supervisors to be elected. The shares can be consolidated together to vote on one person or vote on different people. Independent and non-independent directors shall be elected simultaneously, but the number of seats to be elected shall be calculated respectively.
4. The number of directors and supervisors will be as specified in this Company's Articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When there are more than 2 persons receiving the same number of votes above the regulated number, these two candidates should draw a lot to decide elected. The chairman shall draw the lot for those who are not present. When the same person is elected for both a director and supervisor, he or she should decide which position he/she would like to take and leave the other opening (director or supervisor) for the second runner up.
5. Before the election, the chairman should designate several scrutinizers and ballot counters to perform related duties. The scrutinizers may be from the attending shareholders.
6. The Company should prepare the ballot box and open it for the public to check before voting procedure.
7. If any candidate is also a stockholder, voter shall fill the account name and stockholder account number of the candidate in the column of "candidate" on the ballot; for the candidate is not a stockholder, voter should fill in the name and identification card number of the candidate. However, if the candidate is government or corporate stockholder, the column of "candidate" should be filled with the name of the government or the corporate, or with the name of their representative as well. When there is more than one representative for the government or company, all representatives' names should be noted.
8. The ballots shall be invalid under any of the following situations:
   (1) The ballot is not prepared by the Company.
   (2) The ballot casted into the box is blank.
   (3) The writing on the ballot is vague, unrecognizable or altered.

(4) The name and account number of the candidates on the ballots for candidates who are also stockholders are inconsistent with Stockholders register. Or the name and identification card number of the candidates who are non-stockholders are inconsistent with records after verification.

(5) There are other words written on the ballots besides the name, stockholder's account name and account number, identification card number and distributed votes of the candidate.

(6) The name of the candidate on the ballot is same with other stockholder and the voter did not fill in the candidate's account number of stockholder or identification card number for distinction.

(7) The ballot is not put into the ballot box before the end of the vote.

9. After voting, the ballot box should be opened and ballot counting should commence immediately. The result of the election should be announced by the chairman on the scene.

10. The Rules and any amendment hereto, will be put into force after the approval from the Stockholders' Meeting.

Attachment 7

ENNOSTAR Inc.

Procedures for Loaning Funds to Other Parties

Approved in the founder's meeting on August 7, 2020

Article 1: Legal reference

The Procedure is compliant with Securities & Exchange Act and other related regulations of competent authorities.

Article 2: Targets

Based on Article 15 of Company Act, except for the following situations, the funding of the Company should not loan to any shareholders or others:

1. The companies or firms having business relationship with the Company.
2. Companies or firms with the demand for short-term financing. The so-called "short-term" refers to one year or one business cycle (whichever is longer). The so-called "financing" amount refers to the cumulative balance of the Company's short-term funding for financing.

Foreign companies of which the Company directly or indirectly holds shares for 100% voting rights may loan to each other, or the foreign companies of which the Company directly or indirectly holds shares for 100% voting rights may loan to the Company and the restriction of paragraph 1 Article 4 shall not be applicable. But the total amount of loans and limits of loans to individual shall not exceed forty percent (40%) of the Company's net worth, and the duration of loans shall not be longer than three years.

The person in charge of the company who violates the provisions of paragraph 1 shall be responsible for the return of the loan jointly and severally with the borrower; if the company suffers damage, the person in charge shall also be liable for damages.

Article 3: Necessity of loans of funds to others

When the Company approves loans of funds to other companies or firms in demand for the loaning of fund as a result of business relationship, paragraph 2 Article 4 shall be applicable. Only the companies or firms subject to the following situation is regarded as necessary for the short-term loans for financing:

1. Other companies or firms have the demand for short-term financing as a result of procurement on materials or business turnaround.
2. Other companies or firms approved by the BOD for loans of funds.

Article 4: Limit of total facility of loan and individual target

1. The total facility of the Company to other companies or firms

The total facility of loan of the Company to other companies of firms should be limited to 30% of the net worth of the Company; however, in the case of loans to other companies or firms with the necessity of short-term financing demand, the Company should only approve loans up to 10% of the Company's net worth.

2. The total facility of loan to individual company or firm
   (1) For company or firm who has business relationship with the Company, the individual loan should not exceed the total transaction amount between both parties in the most recent year. The so-called "total transaction amount" refers to purchase or sales amount, whichever is higher.
   (2) For companies or firms with the necessity of short-term financing, the Company should not loan more than 10% of the Company's net worth for each individual case.

Article 5: Procedures of loans

1. Crediting

   Before the Company proceeds with any loans to others, the creditor is required to provide all necessary data and financial information in order to apply for financing from the Company. After accepting the application, the Company's Treasury Department should investigate and evaluate the company's core business, financial status, solvency, credit, profitability and usage for loans in order to file a report.

2. Security

   When conducting any loans to others, the Company should request guaranteed checks equivalent to the loan amount and mortgage of chattel or real estate when necessary. The Board of Directors may take reference from the crediting report from Treasury Department if the debtor provides individual or corporation with qualified financial status as a guarantee. The Company should pay attention to whether there is any clause related to guarantee in the Articles of Incorporation of those corporation.

3. Delegation Scope

   Before approving any loan to others, the Company's Treasury Department should submit the application to President and Board of Directors for approval based on the evaluation result of Paragraph 1, Article 5.

   Any loan between the Company and any subsidiary, or between different subsidiaries, should be submitted to the Board of Directors for deliberation and approval based on the evaluation result of Paragraph 1, Article 5. The Chairman is authorized to approve the same debtor within

the delegated credit line decided by the Board of Directors for any loan (installment or revolving) under 1-year tenure. Except for stipulated in Paragraph 2, Article 2, the delegated credit line for any single enterprise shall not exceed 10% net worth of the Company or the subsidiary based on the most recent financial statement.

Where the Company has established the position of Independent Directors, when it submits the matters related to loaning funds to other parties for discussion by the Board of Directors, the Company should consider each independent director's comments for any loan to others. If an independent director has objections or reservations, it should be stated in the meeting minutes of the board of directors.

Article 6: Tenure and interest calculation

Each funding is limited in one year or one operating cycle (whichever is longer).

The loan interest should not be lower than the highest interest for the Company's short-term finance from financial institutes. The payment of interest is on a monthly basis unless otherwise approved by the BOD for adjustment based on status quo.

Article 7: Post-debt management and procedures of overdue loan

After loan drawdown, the Company should monitor the financial and business status, as well as related credit updates of the debtor and guarantor. For those providing collaterals, the Company should keep track of any changes to the value of them. In case of any major variation, the Chairman should be notified immediately and observe his/her instructions.

Upon maturity date of the loan or complete pay-off prior to maturity date, the Company should calculate the interest payable. Before canceling the loans by commercial papers or canceling mortgages, the Company shall confirm that debtor settle all the principal and interest.

Upon maturity date, the debtor should repay all debt, including interests. In the case the debtor needs to apply for extension of payment, the debtor shall apply in advance, which should be reviewed and approved by the Board of Directors. Each extension is limited to 3 months and each debtor may only apply once and should comply with tenure limitation in Paragraph 1 Article 6. Otherwise the Company is entitled to impose punishment or compensation from the collaterals or guarantor(s) of thedebtor.

Article 8: Management procedures for loans of funds to others from subsidiaries

1. When any subsidiary of the Company intends to loan to others, such subsidiary should set procedures referring to "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" and comply with such procedures.

2. When any subsidiary of the Company intends to loan to others, such subsidiary should provide related data to the parent company and proceed after consulting with related personnel in the parent company.
3. After drawdown, the subsidiary should continue to update the parent company on a regular basis for the follow-up status of the loaned credit line.

Article 9: Procedures of announcement and declaration

1. The Company should announce and declare the endorsement/guarantee balance as of the last month end for the Company and subsidiaries prior to the 10th of each month.
2. When the Company's loan balance meets any of the following standards, the Company is required to make promulgation within 2 days after the occurrence date:
   (1) The loan balance of the Company and subsidiaries to others achieve more than 20% of the Company's net worth according to the most recent financial statements.
   (2) The loan balance of the Company and subsidiaries to a single enterprise achieve more than 10% of the Company's net worth according to the most recent financial statements.
   (3) The new loans of fund of the Company or subsidiaries is more than NT$10 millions and above 2% of the Company's net worth according to the most recent financial statements.

   If any subsidiary of the Company is not a listed company and the subsidiary meets any of the requirements as above-stated in section 3 in the preceding paragraph, the Company should make declaration on behalf of the subsidiary.

   "The occurrence date" in paragraph 2 means the contract signing date, the payment date, the Board of Directors resolution date, or other dates that can confirm the counterparties of loan and monetary amounts, whichever date is earlier.
3. The Company should evaluate or recognize the contingent loss of the loans and disclose related information in financial reports, offering related data to CPAs for necessary audit procedures.

Article 10: Filing and retention of documents

For any loans of fund to others, the Company should record the target(s), credit line/ facility, the approval date of the Board of Directors, approval date of the loan and evaluation items on a record book for future reference.

The responsible person of each loan case should reserve the evidence of loan rights, such as contracts or commercial papers, and the certificates of

collaterals, insurance policies, and documents for correspondence in order in a retention bag. The responsible person should also submit to his or her supervisor for double-check after marking down the content of the documents and the name of the client before sealing the bag. On the seal, the chops of the responsible person and his/her supervisors are required before filing the client's data (and after registering on the registration book).

Article 11: Penalty

In the case of violation of the Company's manager(s) or responsible person(s) against "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" stipulated by competent authorities and the Procedures, the auditors or their supervisors should report such case to the President or Board of Directors immediately. And the President or Board of Directors should impose proper disciplinary action based on the seriousness of such case on related personnel.

Article 12: Audit

The internal auditors should write a written report to include the procedures of endorsement/ guarantee and implementation updates at least on a quarterly basis. If any major violation against rules is discovered, the auditors should notify each supervisor in a written notice.

Article 13: Others

1. The "subsidiaries" and "parent company" referred to in the Procedures should be based on the rules in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
   "Net worth" means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
2. The announcement and declaration of this Procedure means announce to the website appointed by the regulators.
3. In case of any changes resulting in violation against the Procedures for the target of loans or exceeding the limit of balance, the Company should stipulate a plan for improvement and submit such plan to each supervisor. The Company should also commit to such improvement in compliant with the plan.

Article 14: This Procedure, after approved by Board of Directors, should be submitted to each supervisor and obtain the approval from shareholders in Shareholders' Meeting. If any director expresses objection on a record or a written statement, the Company should submit such objection to each supervisor and Shareholders' Meeting for discussion. Any related amendments should follow the same rules.

Where the Company has established the position of Independent Directors, when it submits the operational procedures related to loaning funds to other parties for discussion by the Board of Directors, the Company should consider each independent director's comment on the procedures. If an independent director has objections or reservations, it should be stated in the meeting minutes of the board of directors.

Where the Company has established an Audit Committee, the Audit Committee shall exercise its functional duties under Article 14-5 of the Securities and Exchange Act. The provisions regarding supervisors in this procedure shall apply mutatis mutandis to the Audit Committee.

If the Company establish an audit committee, the setting or amendments of this procedures shall be approved by majority members of the audit committee and submit to the board of directors for resolution. The second paragraph shall not apply.

If the setting or amendments is not approved by one-half of all members of the Audit Committee, it may be resolved by more than two-thirds of all directors, and the resolutions of the Audit Committee shall be stated in the meeting minutes of the Board of Directors.

All members of the Audit Committee referred to in paragraph 5 and all directors referred to in the preceding paragraph shall be counted as actual incumbents.

Attachment 8

ENNOSTAR Inc.
Procedures for Endorsements and Guarantees

Approved in the founder's meeting on August 7, 2020

Article 1: Legal reference： Subject to amendments to related regulations of regulators and Securities and Exchange Act.

Article 2: Endorsement / Guarantee items

The endorsement/guarantee items of ENNOSTAR Inc. (hereinafter the "Company") include the following:

1. Financing endorsements / guarantees, including:
   (1) Bill discounts financing.
   (2) Endorsement/guarantee made to meet the financing needs of another company.
   (3) Issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company.
2. Customs duty endorsement / guarantee:
   Meaning the endorsement / guarantee for the Company or another company with respect to customs duty matters.
3. Others endorsements / guarantees:
   Meaning the endorsements / guarantees beyond the scope of the above two paragraphs.

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

Article 3: Targets

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

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

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

Article 4: Endorsement/guarantee liabilities

1. The Company's total endorsement / guarantee liability is categorized as the

following:

(1) The total of endorsement / guarantee shall not exceed 20% of the Company's net worth.

(2) The endorsement/guarantee total to a single enterprise shall not exceed 10% of the Company's net worth.

2. The total endorsement / guarantee of the Company and its subsidiaries is categorized as the following

(1) The total endorsement / guarantee amount shall not exceed 30% of the Company's net worth.

(2) The endorsement / guarantee to a single enterprise shall not exceed 10% of the Company's net worth.

3. The endorsement / guarantee as a result of business relationship, other than the above-stated limitation, shall not exceed the total transaction amount between the two parties. The "transaction amount" refers to whichever is higher between the purchase and sales amount.

Article 5: Announcement requirements

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

2. When the Company's endorsement/ guarantee balance reaches one of the following standards levels, the Company shall announce and report such event within 2 days commencing immediately from the occurrence date:

(1) The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches50% or more of the Company's net worth as stated in its latest financial statements.

(2) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20% or more of the Company's net worth as stated in its latest financial statements.

(3) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT$10 million or more and the aggregate amount of all endorsements/guarantees for, carrying value of equity method investment in, and balance of loan to, such enterprise reaches30% or more of the Company's net worth as stated in its latest financial statements.

(4) The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT$30 million or more, and reaches 5% or more of the Company's net worth as stated in its latest financial statements.

3. The Company shall evaluate or record the contingent loss for the endorsements/guarantees, and shall adequately disclose information on endorsements/guarantees in its and provide CPAs with relevant information

for implementation of necessary audit procedures.

"The occurrence date" in Section 2 means the contract signing date, the payment date, the Board of Directors (hereinafter the "BOD") resolution date, or other dates that the endorsement/guarantee parties and monetary amounts could be confirmed, whichever date is earlier.

If any subsidiary of the Company is not a public company and the subsidiary meets any of the requirements provided by subparagraph 4 in Section 2, the Company should make declaration on behalf of the subsidiary.

The so-called "most recent financial statements" refer to the financial statements audited or reviewed by CPAs.

Article 6: Procedures of endorsement / guarantee

The responsible department should submit a petition in regards with any endorsement/ guarantee, stating the targets, rationales and amount. After approved by the Finance Department, President and Chairman, the petition must be submitted to the BOD for deliberation and approval. However, the BOD may delegate Chairman to approve applications under a certain facility and report to the BOD for recognition afterwards.

Before making endorsements/ guarantees for any subsidiary which the Company directly and indirectly holds 90% or more of the voting shares subject to Section 2 in Article 3, the application of such endorsements/ guarantees should be submitted to the BOD for deliberation and approval. However, this restriction set forth in preceding paragraph does not apply to any company by which the Company directly and indirectly holds 100% of the voting shares.

Article 7: Review procedures

1. Before making any endorsement/ guarantee, the Company shall evaluate with discretion whether such endorsement/ guarantee complies with "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" and this SOP. The Company is also required to request the endorsed/guaranteed company provide the approval from Ministry of Economic Affairs for registration change, business registration certificates, a copy of the responsible person's ID and all necessary financial statements. The Company should evaluate the company based on the following criteria:
   (1) Evaluate the necessity and reasonableness of endorsement/ guarantee based on the financial status of the company.
   (2) Conduct credit status investigation on the company to evaluate the risks of such endorsement/ guarantee.
   (3) Evaluate whether the endorsement/ guarantee amount still falls within the cap and the impacts of such endorsement/ guarantee on the Company's business operations, financial condition and shareholders'

equities.

(4) Assess the risk level of such endorsement/ guarantee and evaluate whether collateral must be obtained.

2. The responsible department shall track regularly to the endorsement/ guarantee status and risk assessment subject to related items.
3. When the Company or any its subsidiary makes endorsement/ guarantee for subsidiaries whose net worth is lower than half of its paid-in capital, other than fulfilling the above-stated rules, the auditors should audit the procedures of such endorsement/ guarantee and the execution status at least once every quarter in a written form. Any discovery of major violation against rules should be notified to each supervisor in a written notice.

In the case of a subsidiary with shares having no par value or a par value other than NT$10, for the paid-in capital the calculation under Section 3 of Article 7, the sum of the share capital plus paid-in capital in excess of par shall be substituted.

Article 8: Decision making and authorization level

1. Any endorsement/guarantee shall be approved by the BOD and processed in accordance with normal procedures. However, in line with business demands, the BOD may delegate the Chairman for approval the endorsement/guarantee to process based on special procedures within 50% limit and compliant with Article 4. And such cases must be submitted to the BOD for recognition afterwards.
2. Where a the Company needs to exceed the limits set out in Article 4 to satisfy its business requirements, the Company shall follow normal procedure and obtain approval from the BOD and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend the procedures accordingly and submit to Shareholders' Meeting for ratification after the fact. If Shareholders' Meeting does not give consent, the Company should adopt a plan to discharge the amount in excess within a given time limit.
3. Where the Company has appointed Independent Directors, when the Company submits the matters of endorsements / guarantees for others for discussion by the BOD, the BOD shall take into full consideration each Independent Director's opinions ; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the meeting minutes of the BOD.

Article 9: Procedures and retention of chops

1. The dedicated chops for endorsements / guarantees of the Company are the company chop, the signature chop of the responsible person, and specialized

chop registered with the Ministry of Economic Affairs, the . Each chop shall be kept in the custody of a designated person approved by the Chairman and controls the usage of such chops. The BOD should approve the change of the delegate as well. The chops or seals may be used to seal or issue negotiable instruments only in prescribed procedures.

2. When making a guarantee for an overseas company, the Company shall have the guarantee letter signed by a person authorized by the BOD.

Article 10: Procedures of controlling endorsement / guarantee of subsidiaries

1. Where a subsidiary of the Company intends to make endorsements/guarantees for others, the Company shall instruct subsidiary to formulate its own operational procedures for endorsements / guarantees in compliance with "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" stipulated by regulators, and it shall comply with the procedures when making endorsements / guarantees.
2. When any subsidiary of the Company intends to make endorsements/guarantees for others, the subsidiary should provide related information to the parent company and take reference the opinions from the related personnel in the parent company before processing. However, if the subsidiary is located offshore, no endorsement/guarantee shall be proceeded.
3. The subsidiary should report to the parent company the updates of follow-up status for the endorsement/guarantee on a regular basis.

Article 11: Transitional provisions

After this SOP takes effect, when the original targets or amount of endorsement/guarantee exceeds limit as a result of changed calculation basis, the Company should report to the BOD for the endorsement/guarantee amount or exceeding part upon maturity date of the contract or within a certain period.

Article 12: Penalty

Any manager or responsible person of the Company violates "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies" stipulated by regulators and / or this SOP, the auditors or the mangers of responsible person should report the violation to the President or the BOD immediately. The President and the BOD should decide if the related personnel should receive any penalty depend on the content of violation.

Article 13: Audit

The Company's internal auditors shall audit this SOP and the implementation thereof no less frequently than quarterly and prepare written records accordingly. The auditors shall promptly notify all the supervisors in writing of any material violation found.

Article 14: The Company shall, after this SOP approved by the BOD, submit it to each supervisor and approved by shareholders in Shareholders' Meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit such dissenting opinion to each supervisor and for discussion by Shareholders' Meeting. Any related amendments should follow the same procedures set forth above.

Where the Company has appointed Independent Directors, when the Company submits the operational procedures of endorsements / guarantees for discussion by the BOD, the BOD shall take into full consideration each Independent Director's opinions. If an Independent Director expresses any dissent or reservations, it shall be specifically recorded in the meeting minutes of the BOD.

Where the Company has established an Audit Committee, when the Company adopts or amends this SOP, it shall require the approval of one-half or more of all Audit Committee members, and furthermore shall be submitted for a resolution by the BOD. The provisions of Section 2 of this Article shall not apply. If the approval of one-half or more of all Audit Committee members as required in the preceding paragraph is not obtained, it may be implemented if approved by two-thirds or more of all Directors, and the resolutions of the Audit Committee shall be recorded in the minutes of the BOD meeting.

The terms "all members of the Audit Committee" and "all Directors" in this Article shall be counted as the actual number of persons currently holding those positions.

Article 15: Others

1. The "subsidiaries" and "parent company" as referred to in this SOP shall be as determined under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
   "Net worth" means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
2. The term "announcement and declaration" of this SOP means the process of entering data to the information reporting website designated appointed by the regulators.
3. Where as a result of changes of condition the entity for which an endorsement/guarantee is made no longer meets the requirements of this SOP, or the amount of endorsement/guarantee or exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to all the supervisors, and shall complete the rectification according to the timeframe set out in the plan.
4. Where the Company has established an Audit Committee, the Audit Committee shall exercise its functional duties under the Article 14-5 of the

Securities and Exchange Act. The provisions regarding supervisors in this SOP shall apply mutatis mutandis to the Audit Committee.

Attachment 9

ENNOSTAR Inc.
Acquisition or Disposal Procedures of Asset

Approved in the founder's meeting on August 7 2020

Section 1 Acquiring or Disposing Assets

Article 1： References

The Acquisition or Disposal Procedures of Asset (hereinafter "the SOP") is subject to "Regulations Governing the Acquisition and Disposal of Assets by Public Companies".

Article 2： Definition of assets

1. Investment in securities (including stocks, government bonds, corporate bonds, financial bonds, depository receipt, call/put warrants, beneficiary securities and asset-based securities etc.)
2. Real estate (including land, houses and buildings and investment property) and equipment.
3. Membership certificates
4. Intangible assets such as patents, copyrights, trademarks, concession and so on.
5. Right-of-use assets.
6. Derivatives
7. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law.
8. Other important assets

Article 3： Decision-making approaches on pricing and references

1. Securities

   Other than publicly quoted prices of securities that have an active market or where otherwise provide by regulations of the Financial Supervisory Commission (FSC), the ENNOSTAR Inc. (hereinafter referred to as "Company") acquiring or disposing securities should receive the most recent audited CPA report/financial statement from the target company as the reference for evaluating trading price before the day of occurrence. Moreover, any trading exceeding 20% of the paid-in capital or above NT$300 million requires CPAs' comment on the rationality of trading price before the day of occurrence. If it is necessary for the CPAs to adopt the professional report, the CPAs shall do so in accordance with the relevant auditing standard bulletin issued by the Republic of China Accounting Research and Development Foundation (hereinafter referred to as "Accounting Research and Development Foundation").
2. Real estate, equipment or right-of-use assets.

Before the day of occurrence, any real estate, equipment or right-of-use assets acquired or disposed by the Company with trading value more than 20% of paid-in capital or above NT$300 million are required to obtain the quotation from professionals except trading with domestic government agency, outsourcing construction projects for self-owned/rented properties, or acquiring/disposing equipment/facilities or right-of-use assets for business use. And the following regulations must be followed:

(1) Any transaction requiring a limited price, specific or special price as reference for any special reason should be submitted for reviews and approval in advance by the Board of Directors (the "BOD"); the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.

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

(3) An appraisal report is required to state the following contents:

A. All the items required by the Regulations on Real Estate Appraisal.

B. Related items for the appraiser and professional.

(a) The name, total capital, organization structure and employment structure of the professional appraising company.

(b) The appraiser's name, age, education (with related evidence), the number of years working in appraisal and period, number of cases undertaken by the appraiser.

(c) The relationship between the professional appraising company, the appraiser and outsourced company.

(d) A statement of "No fraud or concealment in any statement of the appraisal report".

(e) The date of issuing the report.

C. The basic profile of the appraised target should at least include the name, feature, location and area etc.

D. An actual case compared with other real estate in the same area of the target.

E. For cases with limited or specific price range, the appraiser should evaluate whether the current conditions are still consistent with such limitation. The appraiser is also required to state the rationales and reasonability of the difference between the target and normal price, and comment on whether the limited/specific price is rationale to be the basis for transaction price.

F. If the target is a contract of joint construction, the reasonable proportion of both parties should be noted.

G. Estimate the value-added tax for lands.

H. When the same appraiser concludes a price with more than 20% difference of the same period, whether the appraiser complies with Article 41 of Real Estate Appraiser Act is required to be investigated.
I. The attachments should include the details of the appraisal, registration information of ownership, a copy of situated area, a brief summary of urban renewal, the map of the target where it is located, the usage certificate of different sections of the land, the photos of the current status of the target.

(4) Except for all of the evaluation results of acquired asset made by the professional appraisers are higher than the transaction amount or all of the evaluation results of disposed asset made by the professional appraisers are lower than the transaction amount. If a professional appraiser comes up with any of the following result, the Company should consult with CPAs and perform the appraisal in accordance with the provisions of Statement of Auditing Standards by Accounting Research and Development Foundation. The CPAs should issue definitive comments on the reasons of the difference and reasonability of the transaction price:
A. The appraisal result has more than 20% difference from the actual transaction amount.
B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.

(5) 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.

The “professional appraisers” refer to real estate appraiser, or other appraisers permitted by law to conduct appraising for real estate and equipment.

3. Membership certificates or intangible assets or right-of-use assets
4. The calculation of the transaction amounts in the first three paragraphs should be proceeded according to the regulations stated in the paragraph 2 of Act. 6, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.
5. Derivatives
Comply with related regulations of Section 3 in “Acquisition or Disposal

Procedures of Assets" by the Company.

6. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law.

Any professional appraising company and their appraisers, any accountants, legal consults, or security underwriters that provide the Company with appraisal reports and any party to the transaction shall in comply with the following regulations:

1. No violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, falsification of documents or occupational crimes, been declared of more than one year imprisonment. However, this provision does not apply if3 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.
2. The counterparty should not be a related party or a party with a substantive relationship.
3. If two or more appraisal report shall be obtained, the different professional valuers or appraisers may not be related to each other or have substantive relationships.

When issuing the appraisal report or opinion, the personnel of the preceding paragraph shall comply with the following matters:

1. Professional ability, practical experience and independence should carefully assess before undertaking a case.
2. A case should be checked by appropriate operational procedures and should be properly planned and implemented to reach a conclusion for the basis of a report or opinion accordingly; the procedures, data collected and conclusions shall be carried out with details in the working paper of the case.
3. The data source, parameters and information used shall be evaluated item by item for completeness, correctness and reasonableness as the basis for the issuance of appraisal reports or opinions.
4. The statement shall include the professionalism and independence of the relevant personnel, the information used for evaluation is reasonable and correct, and the relevant laws and regulations are followed.

Where the 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's comments.

Article 4： Transaction cap

1. If the asset acquired or disposed by the Company and any subsidiary belongs to lands, real estate and equipment or right-of-use asset for business use,

there will not be any limitation on the cap of transaction. If the business scope of a subsidiary is in business investment category, the amount of securities investment is not limited.

2. For all real estate and right-of-use asset for non business use purchased by the Company and any subsidiary, the transaction amount should not exceed 10% of the net value of the most recent financial statement.
3. The transaction cap of Security investment of the Company and subsidiaries is limited to 150% and 60% respectively of the net value of the most recent financial statement. The aforesaid limitation does not apply to the case when reorganizing the group's organizational structure.
4. The amount of investment in individual securities of the Company and its subsidiaries is limited to 50% and 30% respectively of the most recent financial statement. The aforesaid limitation does not apply to the case when reorganizing the group's organizational structure.

The amount of securities investment mentioned above should be calculated in accordance with initial investment cost.

Article 5： Delegation, execution unit and decision-making procedure of transaction conditions

1. Acquisition procedures of real estate and equipment or right-of-use asset: the acquisition of the Company’s real estate and equipment and right-of-use asset should be authorized to the responsible managers within their delegation after the execution unit proposes a budget and approved by the BOD. In the case of emergency, any case under NT$30 million is authorized by the President to review and approve. Any case from NT$30 million to NT$100 million should be reviewed and approved by the chairman and submitted to the next nearest BOD meeting for report. Any case more than NT$100 million is required to be submitted to the BOD for deliberation and approval.
2. Procedure of disposing real estate and equipment and right-of-use asset: Any discarding or selling of real estate and equipment and right-of-use asset by the Company require a statement of reasons via special project from the original user. Any case with the higher of on-par value and appraisal value under NT$10 million after quoting, price comparison and negotiation by the manager of the assets should be approved by the President. For cases from NT$10 million to NT$30 million, the Chairman should review and approve. Any application above NT$30 million requires the BOD’ review and approval.
3. Acquisition and disposal procedure for investment on securities

(1) Authority Matrix

Items	Amount per time	Authorized signer		
		President	Chairman	BOD
Strategic long-term securities	below 100 millions	review	approve	
	exceed 100 millions		review	approve
Short-term securities *	below 50 millions	approve		
	exceed 50 millions	review	approve	
Strategic short-term securities (Investment other than above items)	below 10 millions	approve		
	10 millions to 50 millions	review	approve	
	exceed 50millions		review	approve

* The purpose of short-term security is for Short-term fund transfer, it includes buy/sell short-term notes, repo/resell bounds, bound fund, currency fund and Structured/linked deposits with a principle guaranteed.

(2) Executive unit: Financial and accounting center

4. The acquisition and disposal procedures of intangible assets, right-of-use assets or membership cards:
   The execution unit is required to prepare related information and submit to the BOD for deliberation and approval.
5. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law and other important assets:
   The BOD should be entitled to deliberate and approve.

When the Company acquires or disposes any asset compliant with the afore-stated regulation or other laws that require approval from the BOD but some directors express objection with record or written statement, the Company should send this information to each supervisor.

When the Company has independent director in place, the Company should consider each independent director’s comment when submitting any application of acquiring and disposing assets to the BOD for discussion in compliance with paragraphs 1 to 5. In case of any objection or comment to put hold of the application, the meeting notes of the BOD should be noted.

When the Company has formulated the Audit Committee, any major transaction of assets or derivatives should receive approval from 50% or more members of the Audit Committee and submit to the BOD for approval.

The afore-stated cases should obtain concurrence of 2/3 or more members from

the BOD' directors if they do not receive the approval from 50% members in Audit Committee. And this situation, along with the resolution of Audit Committee, should be noted in meeting notes.

The afore-stated "Audit Committee members" and afore-stated "all directors" refer to those who are actually performing duty currently.

Article 6： Procedure of promulgation and declaration

The Company is liable to announce and declare on websites appointed by regulators in regulated format within 2 days after the occurrence of any of the following incident (hereinafter "the occurrence date") when acquiring or disposing assets:

1. Obtain or dispose real estate or right-of-use assets from related parties; obtain or dispose the assets not aside from real estate or right-of-use assets with trading value of 20% of the Company's paid-in capital or that of 10% of total asset or more than NT$300 million; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds which is issued by domestic security investment trust entity.
2. Merger, demerger, acquisition, or transfer of shares.
3. The loss incurred from derivatives transaction reaching the limits on aggregate losses or losses on individual contracts based on rules in the procedures adopted by the Company.
4. Acquire or dispose equipment or right-of-use assets which for business use and Trading partner is not related parties, transaction amount is to one of the following requirements:
   (1) The Company paid-in capital is less than NTD Ten (10) billion, the transaction amount is above NTD five hundred (500) million.
   (2) The Company paid-up capital is above NTD Ten (10) billion, the transaction amount is above NTD one (1) billion.
5. The Company acquires real estate via outsourcing construction on self-owned lands or outsourcing construction on leased lands, or joint construction and separate sales, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction is above NTD five-hundred (500) million.
6. Other than the above 5 types of transactions or investment in the mainland China area, or any other cases worth more than 20% paid-in capital of the Company or NT$300 million, the following situations shall not be applicable:
   (1) Trading of domestic government bonds.
   (2) Trading of bonds under repurchase/resale agreements, or subscription or redemption of domestic money market funds which is issued by domestic security investment trust entity.

Each of the above-stated transaction value is calculated by any of the following formula:

1. Total of each individual transaction
2. The transaction total of the same person accumulated in one year from acquiring or disposing the same type of targets
3. The transaction total accumulated in one year from acquiring or disposing (cumulative acquisitions and disposals, respectively) on the same project to develop real estate or right-of-use assets.
4. The transaction total accumulated in one year from acquiring or disposing (cumulative acquisitions and disposals, respectively) the same security.

The above-stated "investment in the mainland China area" stated in first Paragraph of this Article refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.

The above-stated "the occurrence date" stated in first Paragraph of this Article, in principle, refers to the contract signature date of transactions, payment date, engaged transaction date, transmission date, resolution date of the BOD, or the date confirming other transaction counterparties or transaction price, whichever occurs first. However, for the investments requiring regulators' approval, "the occurrence date" refers to any of the above dates or the date receiving regulator's approval, whichever happens first.

The "within one year" mentioned in Paragraph B refers to the one year before "the occurrence date". The dates already announced may be exempt from the calculation.

The Company should update the status of derivatives transaction of the Company, and subsidiaries of non-listed companies in Taiwan as of last month end to website appointed by regulators in regulated format prior to 10th of every month.

Article 7： Procedure to control acquisition or disposal of assets by subsidiaries

1. The Company should supervise each subsidiary to formulate a SOP regarding acquiring and disposing assets.
2. When each subsidiary acquire or dispose any asset, they should provide related data to the mother company and proceed with acquisition or disposal process after taking reference from the comments of related parties in the mother company.
3. For subsidiaries of the Company that are not listed companies and meeting the declaration requirements stipulated in Article 6 of the SOP, unless investment is their professional business and except for trading for securities in domestic/overseas stock exchange house or business areas of security

companies, the Company should take care of the announcement and declaration details.

4. In the declaration requirements of the Company and its subsidiaries subject to the sentence “paid-in capital or total asset of the Company” refers to the paid-in capital or total asset of the Company.

Article 8： Content of promulgation and declaration

The Company should comply with regulators’ related rules to declare the items requiring to be made public based on the afore-stated regulations.

Article 9： Correction of announcement/declaration

When the Company needs to make correction for any announcement items based on Article 6, the Company is required to make promulgation for the entire content again.

After declaring transactions based on Article 6, the Company is required to announce and declare on websites appointed by regulators in regulated format within 2 days from the date on which known for the occurrence of any of the following incident (hereinafter “the occurrence date”)

1. Any change/termination/cancellation of the contracts related to the original transaction contract.
2. Any merger, demerger, acquisition, or transfer of shares is not completed by the due date subject to the contract.
3. Any changes in the announced content.

Article 10： Data retention

When the Company acquires or disposes any asset, the Company should retain all related contracts, meeting notes, records, appraisal reports, letter of comments by the CPAs, lawyers or security underwriters in the Company. Unless otherwise stipulated by laws, all the documents should be preserved for at least 5 years.

Section 2 Related parties trading

Article 11： When acquisition or disposal of real estate occurs between the Company and related parties, the Company should not only follow the rules of this Section on related resolution procedures and evaluating the reasonability of transaction conditions but also may provide the appraisal report made by professional appraiser or CPA’s comments as stated in previous section when the transaction amount is over 10% of the Company’s total asset.

The transaction amount mentioned in the previous paragraph should be calculated in accordance with the regulations stated in paragraph 4 of Act. 3.

When judging whether the transaction counterparty is a related party or not, the Company should consider not only legal ties with the counterparty, but also de facto relationship.

Article 12： When acquisition or disposal of real estate and right-of-use assets occurs between the Company and related parties or the transaction amount of trading the assets aside from real estate or right-of-use assets is reaches 20% or more of the Company's paid-in capital, 10% or more of total asset, or more than NT$300 million, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds which is issued by domestic security investment trust entity. The Company should submit the following information to the BOD for approval and recognition by the supervisors to before signing the contract and paying the amount:

1. The purpose, necessity and estimated effectiveness of such acquisition or disposal of assets.
2. The reason(s) of choosing this related party for such transaction.
3. Acquiring real estate or right-of-use assets from related parties, related data on evaluating the estimated transaction conditions based on Article 13 and 14.
4. The original acquisition date and price of the related party, the relationship between the counterparty and its company and related party etc.
5. An estimate table of cash revenue/expenditure for the following 12 months after the estimate contract date, and evaluation on the necessity of the transaction and reasonability of capital utilization.
6. The appraisal report made by the professional appraiser or CPA's comments as stated in the previous paragraph.
7. The limitations of this transaction and other important agreements.

The trading amount should be calculated in accordance with paragraph 2 of Act. 6. The "within one year" mentioned refers to the one year before "the occurrence date". The dates already submitted and approved by the board of directors may be exempt from the calculation.

If the Company and its subsidiaries or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital engaged in the following transactions with each other is under NTD1,000 million, the chairman is authorized to determine the execution and then submitted to the board meeting to have it approved.

1. Obtain or dispose of equipment for business use or its right-of-use assets.
2. Acquiring or disposing of the real estate right-of-use assets for business use.

When the Company has independent director in place, the Company should consider each independent director's comment when submitting any application of acquiring and disposing assets to the BOD for discussion. In case of any objection or comment to put hold of the application, the meeting notes of the BOD should be noted.

When the Company has formulated the Audit Committee, any matters requiring supervisors' recognition per Paragraph 1 should receive approval from 50% members of the Audit Committee and submit to the BOD for approval.
The afore-stated cases should obtain concurrence of 2/3 members from the BOD' directors if they do not receive the approval from 50% members in Audit Committee. And this situation, along with the resolution of Audit Committee, should be noted in meeting notes.
The afore-stated "Audit Committee members" and afore-stated "all directors" refer to those who are currently performing their duties.

Article 13：

The Company should evaluate the reasonability of transaction cost when acquiring real estate or right-of-use assets from related parties with the following methods:

1. Other than the original transaction price, add all necessary interest incurred from the capital and costs liable for the buyer pursuance to related laws. The "necessary interest cost of funding" is based on the weighted average interest rate of the loan for assets procured of the same year. However, it should not exceed the highest interest rate among financial institutes promulgated by Ministry of Finance.
2. If any related has pledged a mortgage to any financial institute with the target asset, the financial institutes should have evaluated a total value of the target against the loan. However, the loan-to-value decided by the financial institute should be more than 70% and the loan period must exceed more than one year. Nonetheless, this rule does not apply to the case when any of the financial institute or transaction counterparty is the related party.

When purchasing or leasing the lands and houses of the same target together with other parties, the Company should follow any of the above-stated methodologies to calculate the value of the lands and houses.
The Company should evaluate the cost of real estate or right-of-use assets subject to Paragraph 1 and 2 when acquiring real estate or right-of-use assets from related parties, and consult with CPA for review and issue definitive comments.
When any of the following situations applies to the acquisition of real estate or right-of-use assets by the Company, Article 12, instead of the afore-stated 3 regulations, shall be the basis:

1. The real estate or right-of-use assets was inherited or given to the related party.
2. The acquisition of the real estate or right-of-use assets (by contract) by the related party has exceeded more than 5 years of the contract date of the transaction.
3. The real estate was acquired from signing a joint construction 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.

4. The Company and its subsidiaries, or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital, acquire the real estate right-of-use assets for business use.

Article 14： The Company should follow the regulations in Article 15 when the evaluation result is lower than the actual transaction price following the assessment standards in Paragraph 1 and 2 in the afore-stated article. However, such rule does not apply to any of the following, especially when object evidence is provided and the professional appraiser of real estate and CPA both issue comments on the reasonability of such transaction:

1. The related party provides evidence subject to any of the following criteria when acquiring pure lands and initiate construction:
   (1) For pure lands, the rules of the above-stated article shall apply. For houses, the sum of the building cost and a reasonable construction profit for the related party exceeds the actual transaction price. The “reasonable construction profit” refers to the average operating gross rate of the construction department of the related party in the recent three years or the gross rate of construction industry announced by Ministry of Finance, whichever is lower.
   (2) Any other cases of transaction with non related parties for the other floors of the target’s housing lands or adjacent areas with similar areas. And the transaction conditions are similar to the case of the related party based on the transaction practices of real estate or lease in terms of the reasonable number of floors or after evaluating the price differentiation of the same area.
2. The real estate by purchasing or by leasing to acquire the right-of-use assets which the evidence is proposed by the Company has transaction conditions similar to other cases of transactions with non related parties in the same neighborhood in a year and with similar areas.

The above stated “transactions in the same neighborhood”, in principle, refers to the area within 500 meters in the same, or adjacent, streets/roads, or any similar case based on publicly announced current value. The “similar areas,” in principle, refer to more than 50% of the areas of the transaction targets with non-related parties. The “one year” refers to 12 months prior to the de facto date of acquiring the real estate or right-of-use assets this time.

Article 15： When the evaluation result of the Company based on Article 13 and 14 for acquiring real estate or right-of-use assets from related parties is lower than the transaction price, the Company should comply with the following:

1. Pursuant to Paragraph 1 Article 41 of Securities & Exchange Act, the

Company should reserve a special earned surplus for the difference between the transaction price and assessed cost of real estate or right-of-use assets. The Company should not distribute or reallocate the amount to recapitalization stocks. If the Company follows Equity Method for investments, the Company should also reserve special earned surplus proportionally based on the regulation in Paragraph 1 Article 41 of Securities & Exchange Act.

2. The supervisors should comply with the regulations in Article 218 of Company Act.
3. The Company should submit the follow-up status of Subparagraph 1 and 2 to Shareholders' Meeting and disclose the details of transactions in the Annual Report and Prospectus.

The Company shall provide a special surplus reserve in accordance with the provisions of the preceding paragraph. The assets purchased or leased at a high price shall be recognized as a loss or disposed or termination of the lease or may be properly compensated or reinstated, or there is other evidence provided with no unreasonable situations, and with the consent of the competent authority, the special surplus reserve shall be utilized.

The 2 rules of the above-stated paragraphs should be applicable when other evidence proving abnormal transactions is discovered when acquiring real estate or right-of-use assets from related parties.

Section 3 Derivatives Transaction

Article 16： Transaction principles and policies

1. Transaction types:
   The derivatives transactions of the Company refers to the contracts of which the value derives from specific interest rates, price of financial tools, merchandise prices, exchange rates, indices, price or rate index, credit rating, or credit index or other index, including forwards (excluding insurance contracts, guaranty of contract, after-sale service guarantee, long-term lease contracts and long-term purchasing/sales contracts), options contracts, futures contracts, Leverage margin contract, swap contracts, hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. Any other products require the approval from the chairman before transaction.
2. Management or hedging strategies:
   Transaction of derivatives should focus on hedging; the targets of the transactions should also be banks having business relationship with the Company to avoid credit risk.
3. Delegation:

(1) Treasury Department: Treasury Department is responsible for FX management system, such as collecting market information, judging the market tread and risks, becoming familiar with financial products and transaction skills etc. Treasury Department, under the instruction of its head, is authorized to control FX positions based on the Company's internal policy on risk hedging.

(2) Accounting Department: Accounting Department controls the entire FX position, settles the realized and unrealized exchange P/L on a regular basis for Treasury Department to decide their hedging practices.

4. Evaluation of performance:

For any transaction on derivatives, the trader(s) should mark down the details (such as amount, exchange rate, banks, maturity date etc) on the summary of unwinding position in order to control P/L. In addition, the FX exchange P/L should be settled on a monthly, quarterly and annually basis.

5. Total facility of master agreement and all/individual loss limit:

(1) Total facility of master agreement shall be pursuant to the risk position (net) of the Company.

(2) All/individual loss limit:

The trading on derivatives of the Company is for hedging purpose. The loss cap for all/individual contract is 15% of the contract value. However, in the case of any major negative impact related to exchange rates or interest rates, the Company should convene a meeting to gather all related parties and discuss solutions.

Article 17： SOP

The derivatives transaction of the Company is practiced as the following delegations:

1. Facilities authorization:

(1) Forwards (including non-principal settlement):

Delegation	Facilities authorization for each trading
Head of Treasury Department	under (including) US$1 million
President	under (including) US$3 million
Chairman	under (including) US$5 million
BOD	Above(excluding) US$5 million

(2) Other related derivatives products require the approval from the BOD before trading.

2. Execution unit:

The specialists in Treasury Department are authorized to perform trading.

Article 18： Internal control system

1. Measures of risk management:

(1) Consideration of credit risks: The counterparties of our transactions are

limited to banks having business relationship with the Company and with reputable credit history, provided that they are capable for offering professional information.

(2) Consideration of market price-related risks: Given the fluctuation of market price for derivatives, after confirmation a position, the Company should monitor the possible loss at all times, and convene a management-level meeting when necessary to come up with counter measures.

(3) Consideration of liquidity: To ensure sound liquidity, the banks serving as the Company's counterparties must possess sufficient equipment, information and trading capabilities. The targets of trading should be general and common.

(4) Consideration of cash flow-related risks: To ensure liquidity in the market, when choosing financial products, the financial institutes must possess sufficient equipment, information and trading capability. The traders should also monitor the cash flow of companies to ensure they have enough cash for payment upon settlement.

(5) Consideration of operations: All transactions should abide by the delegated cap and SOP.

(6) Consideration on laws: Any documents signed with banks should be reviewed by legal experts.

2. Internal control:

(1) Traders, registrants and settlers may not work as each other's acting or duplicate job function.

(2) The registrants should confirm the accounting book or legal certificates with banks.

(3) The registrants should specify details of trading on the summary of unwinding positions (amount, exchange rate, banks, and maturity date) and the auditors should focus on whether the total transaction amount and SOP are compliant with internal rules.

3. Regular evaluation:

(1) The traders should request the counterparties (banks) to provide pricing of all types of trading details and current exchange rate, and evaluate P/L twice a month (in the middle and end of each month) before submitted to the head of Treasury Department for review and approval.

(2) The P/L should be settled based on market value on quarterly, semi-annually and annually basis and disclosed in financial statements.

Article 19： Internal audit system

The internal auditors should understand the rationality of internal control on a regular basis and write an audit report after auditing trading department's

compliance with the procedure. The audit report should be merged with the annual inspection plan of internal audit. Any major violation should be notified to each supervisor in a written notice and upload the afore-stated audit report, along with the implementation status of annual inspection project on internal audit, to the website appointed by regulators prior to February end of the following year.

Article 20： Methods of regular assessment and handling abnormal situations

1. The BOD appoints senior managers to monitor at all times the supervision and control of risks related to derivatives transaction. The BOD should also evaluate whether the performance of such trading is subject to the existing management strategies and whether the risk tolerance is acceptable.
2. The BOD authorizes senior managers to evaluate whether the current risk management measures are appropriate and compliant with the procedure on a regular basis.
3. Supervise trading and P/L. Upon any discovery of abnormal cases, the head of Treasury Department should adopt necessary measures and report to the BOD immediately. If independent directors are in place, the BOD should invite independent directors to attend the meeting and express their opinions.

Article 21： Announcement of information

1. If any trading of derivatives suffers loss up to the entire loss limit of the procedure or the cap of the individual contract, the Company is required to announce related information on the website appointed by the regulators within 2 days after the occurrence date.
2. Prior to the 10th of each month, the Company should upload the status of derivatives trading of the Company and subsidiaries of non-listed companies as of last month end to the website appointed by the regulators with regulated format.

Article 22： For derivatives transactions, the Company should prepare a record book to detail the category summary, amount, approval date of the BOD, and items of regular evaluation on the transactions into the record book.

Section 4 Corporate mergers, demergers, acquisitions, and transfer of shares

Article 23： The “assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law” in the Procedures refers to the assets acquired or disposed subject to Business Mergers and Acquisitions Act, Financial Holding Company Act, The Financial Institutions Merger Act or other laws via corporate merger, demergers, acquisition, or transferred company shares (hereinafter “transfer of shares”) via new issuance subject to Article 156-3 of Company Act.

Article 24： For any corporate merger, demerger, acquisition, or transfer of shares, the Company should engage accountants, lawyers or security underwriters to comment on the rationality on the proportion of equity swap, transaction price, cash dividend to the shareholders or other properties before BOD meeting. And these comments should be submitted to the BOD for discussion and approval. But the Company mergers the subsidiary which issued shares or capital is directly or indirectly 100% be held by the Company, or mergers between subsidiaries which the Company separately holds 100% issued shares or capital, the provision above do not apply.

Article 25： Prior to any merger, demerger, or acquisition that the Company participates, the Company should include the important content of the agreement and related items in a document, along with afore-stated professional comments and meeting notice, and distribute to the shareholders before the convention of Shareholders' Meeting. This information will be the reference for shareholders on whether or not they would agree on the merger, demerger or acquisition. Unless otherwise stated in other laws, the mergers, demergers, or acquisitions of the Company requires the approval of the shareholders in Shareholders' Meeting.

In the case of failed convention of Shareholders' Meeting as a result of insufficient number of attendants, insufficient voting rights or other legal restrictions for the Shareholders' Meeting of any party involved with the merger, demerger, or acquisition, or the resolution/proposal related to the merger, demerger, or acquisition is denied by shareholders, both parties should immediately make announcement to the public and explain the reasons, follow-up process, and estimated date of the next Shareholders' Meeting.

Article 26： Unless otherwise indicated in other laws or any special reasons requiring pre-approval by the regulators, the Company should convene the BOD meeting and Shareholders' Meeting on the same day with the company participating the mergers, demergers, or acquisition to decide related matters of such mergers, demergers, or acquisition.

Unless otherwise indicated in other laws or any special reasons requiring pre-approval by the regulators, the Company should convene the BOD meeting and Shareholders' Meeting on the same day with the company participating the transfer of shares.

The Company should retain the following information in a complete written form for 5 years in case of future inspection when participating any merger, spin-off, acquisition or transfer of shares:

1. Basic profile of people: Including the titles, names, ID numbers (or passport numbers for foreigners) of everyone participating or executing the mergers, demergers, acquisitions, or transfer of shares prior to the announcement of

such news.

2. Important dates: Including the dates of signing letter of intent or MOU, engagement for financial or legal consultants, signing the contracts and BOD meeting.
3. Important documents and meeting notes: Including the plan of mergers, demergers, acquisitions, or transfer of shares, letter of intent or MOU, important contracts and meeting notes of BOD meetings etc.

In the case of participating mergers, demergers, acquisitions, or transfer of shares, The Company should upload the information stated in Subparagraph 1 and 2 within 2 days after the occurrence date of the BOD approving the resolution to the internet system in regulated format for FSC's future review.

If the company participating in the Company's merger, demerger, acquisition, or transfer of shares is not a listed/OTC Company, the Company should sign an agreement with the company and process according to the stipulation in foresaid two Paragraphs.

Article 27： The Company and all the other participants or people informed of the plan of merger, demerger, acquisition, or transfer of shares should provide confidentiality agreement. Before releasing any message, they should not disclose the content of the plan to anyone. Nor should they subscribe to/sell the stocks of all the related companies in the merger, spin-off, acquisition or transfer of shares, or other equity-related securities in their own or others' names.

Article 28： When the Company participates in a merger, demerger, acquisition, or transfer of shares, except for the following situations, the percentage of equity swap or acquisition price should not change without a reasonable rationale (and the changes should be noted in related contracts):

1. Capital injection by cash, issuance of convertible corporate bonds, non-payment dividends, issuance of equity warrant bonds, equity warrant special shares, equity warrants and other equity-related securities.
2. Any disposing of assets imposing major impacts to the Company's financial status.
3. Any major disaster or great revolution of technologies that heavily impact the equities or securities' price of the shareholders.
4. Any of the companies participating in the merger, demerger, acquisition, or transfer of shares purchase treasury stock.
5. The entity of the companies participating in the merger, demerger, acquisition, or transfer of shares or the number of branch areas has changes.
6. Other conditions pursuant to changes in the contract and disclosed to the public.

Article 29： When the Company participates in a merger, demerger, acquisition, or transfer of shares, the related contract should specify the rights and obligations of the

Company and the following:

1. Handling of contract breaking.
2. Handling principles for issued equity-related securities or purchased treasury stock from the merged or demerged companies.
3. Handing principles of purchasing treasury stocks (and the number of such acquisition) after equity swap date by the participating company.
4. Handling methods for any changes of the participating entity or number of business areas.
5. Estimate execution progress and complete dates.
6. Handling procedures of an estimate Shareholders' Meeting in case the project fails to meet the deadline of completion.

Article 30： If any party participating the merger, demerger, acquisition, or transfer of shares plans to conduct another merger, demerger, acquisition, or transfer of shares after disclosing the information for the transaction, unless 1) the number of participating entities reduces and the Shareholders' Meeting has concluded to authorize to the BOD on changing delegations, or 2) the Shareholder's Meeting has concluded the participating company is exempt from convening another Shareholder's Meeting for another resolution; the completed procedures or legal acts in the transaction should be repeated by all the participating companies.

Article 31： If any participating company in the merger, demerger, acquisition or transfer of shares is a not a public company, the Company should sign an agreement with the non-public company pursuant to Articles 26, 27 and 30.

Article 32： Penalty

If any director, supervisor or manager of the Company breaches any rule in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and indemnify the Company, he or she should be discharged of duty.

If any execution staff related to the Company violates the above-stated SOP or handing principles, he or she should follow the internal policy on performance review and reward/penalty.

Article 33： The SOP, and any amendment thereto, should be put into force after approve by the BOD and Shareholders' Meeting, and submitted to each supervisor. If any director expresses objection with a record or written statement the Company should submit such objections to each supervisor.

When the Company has independent directors in place, the Company should consider each independent director's comment when submitting any application of acquiring and disposing assets to the BOD for discussion. In case of any objection or comment to put hold of the application, the meeting notes of the BOD should be noted.

When the Company has formulated the Audit Committee, any major transaction of assets or derivatives should receive approval from 50% of the Audit

Committee and submit to the BOD for approval.
The afore-stated cases should obtain concurrence of 2/3 members from the BOD' directors if they do not receive the approval from 50% members in Audit Committee. And this situation, along with the resolution of Audit Committee, should be noted in meeting notes.
The afore-stated "Audit Committee members" and afore-stated "all directors" refer to those who are currently performing their duties.
When the Company has Audit Committee in place, Paragraph 3 Article 14 in Securities and Exchange Act should be applicable to the supervisors in Audit Committee and Paragraph 3 Article 14-4 of Securities and Exchange Act should be applicable to the independent directors of Audit Committee.
Related party or subsidiary as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
For the calculation of 10 percent of total assets under these procedures, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.
The definitions of the procedures for domestic and overseas stock exchanges or OTC's business premises are as follows:

1. Securities exchange:
   "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
2. Over-the-counter venue ("OTC venue", "OTC"):
   "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

IV. Appendixes

Appendix 1:
Lextar Rules and Procedures for Shareholders' Meeting

1. Shareholders' meeting of the Company shall be conducted in accordance with the Rules and Procedures. The rule is applied after the Company has been public offering.
2. Shareholders or their proxies attending the shareholders' meeting (the "Meeting") shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders or their proxies attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders or their proxies plus the number of shares exercised by correspondence or electronic means.
3. The quorum required for the Meeting and the votes cast by the shareholders shall be calculated in accordance with the number of shares representing by shareholders attending the Meeting.
4. The Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient or the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.
5. The chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. In case the chairman of the Board of Directors is on leave or cannot exercise his power and authority for any reason, the vice chairman shall act on behalf of the chairman. In case the Company has no vice chairman or the vice chairman is also on leave or unable to exercise his and authority for any reason, the chairman of the Board of Directors shall designate one of the directors to act on behalf of the chairman. If the chairman does not make such designation, the directors shall elect from and among themselves an acting chairman of the Board of Directors. If the Meeting is convened by the person other than the Board of Directors who is permitted to convene such Meeting, such person shall be the chairman presiding the Meeting.
6. The Company may appoint designated counsel, Certified Public Accountant or other related persons to attend the Meeting.
7. The process of the Meeting shall be tape-recorded or videotaped and these tapes or videos shall be preserved for at least one year.
8. Chairman shall call the Meeting to order at the time scheduled for the meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares of the Company, tentative resolutions may be made in accordance with Paragraph 1, Article 175 of the Company Law of the Republic of China. If during the process of the Meeting the number of shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company law of the Republic of China.
9. The agenda of the Meeting shall be set by the Board of Directors, if the Meeting is convened by the Board of Directors. The motions, including extraordinary motions and motion amendment, should be voted case-by-case. The Meeting shall proceed in accordance with the agenda unless otherwise resolved at the Meeting. During the Meeting, the chairman may, at his/her discretion, set time for intermission. Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the discussion items listed in the agenda are resolved. The shareholders cannot designated any other person as chairman and continue the Meeting in the same or other place after the Meeting is adjourned.
10. When a shareholder present at the Meeting wishes to speak, a speech note should be filled out with summary of the speech, the shareholder's number, and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. If any shareholder presenting the Meeting submits a speech note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the speech note, the contents of actual speech shall prevail. Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholder, otherwise the chairman shall stop such interruption.
11. Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times or longer than 5 minutes each time. In case the speech of any shareholder violates this provision or exceeds the scope of the discussion item, the chairman may stop the speech of such

shareholder.

12. Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a legal entity is a shareholder and designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
13. After the speech of a shareholder, the chairman may respond him/herself or appoint an appropriate person to respond.
14. The chairman may announce to end the discussion of any discussion item and go into voting if the chairman deems it appropriate.
15. The voting method and procedures shall be announced by the chair or a person designated by the chair. The person(s) to monitor and the person(s) to count the ballots shall be appointed by the chair. The person(s) monitoring the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and recorded in the minutes of the Meeting.
16. Except otherwise provided in the Company Law of the Republic of China or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting.
17. If there is amendment to or substitute for a discussion item, the chairman shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any of them has been adopted, the other shall be deemed vetoed and no further voting is necessary.
18. The chairman may require or supervise the disciplinary officers or the security guards to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges marked "Disciplinary Officer" for identification purpose.
19. In case of incident due to force majeure, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed. If the meeting venue is no longer available for continued use and not all of the items on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.
20. Any matter not provided in the Rules and Procedures shall be handled in accordance with the Company Law of Republic of China and the Articles of Incorporation of the Company.
21. The Rules and Procedures shall become effective from the date on which the Rules and Procedures are approved by the Meeting. The same shall apply to amendments to the Rules and Procedures.
22. These Rules were enacted on June 29, 2009; the first amendment was made on May 28, 2015; the second amendment was made on June 9, 2020.

Appendix 2:
Articles of Incorporation

Chapter 1: General Provisions

Article 1

The Company is incorporated, registered and organized as a company limited by shares and permanently existing in accordance with the Company Law of the Republic of China (the "Company Law") and the Company's English name is Lextar Electronics Corp.

Article 2

The scope of business of the Company shall be as follows:

1、 C802990 Other Chemical Products Manufacturing.
2、 CC01040 Lighting Facilities Manufacturing.
3、 CC01080 Electronic Parts and Components Manufacturing.
4、 CC01010 Die Manufacturing. (for operations outside the Science Park only)
5、 E601010 Electric Appliance Construction
6、 E603090 Illumination Equipments Construction
7、F113020 Wholesale of Household Appliance. (for operations outside the Science Park only)
8、F119010 Wholesale of Electronic Materials. (for operations outside the Science Park only)
9、F213010 Retail Sale of Household Appliance. (for operations outside the Science Park only)
10、F219010 Retail Sale of Electronic Materials. (for operations outside the Science Park only)
11、F401010 International trading.
12、ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval (for operations outside the Science Park only)

To research, develop, produce, manufacture and sell the following products:
(1)InGan Epi Wafer & Chips
(2)L LED package and its modules
(3)LED lighting and its parts & components and its application; and
(4)Systems and applied parts & components of all products referred to above

Article 3

The head office of the Company shall be in the Science-Based Industrial Park, Hsinchu, Taiwan, the Republic of China ("R.O.C.") or such other appropriate place as may be decided by the board of directors (the "Board"). Subject to the approval of the Board and other relevant authorities, the Company may, if necessary, set up branches, factories, branch operation offices or branch business offices both inside and outside of the R.O.C.

Article 4

The total amount of the Company's investment is not subject to the restriction of Article 13 of the Company Law.

The Company may provide guarantees or endorsements on behalf of third parties due to business or investment relationships with such third parties.

Chapter 2: Shares

Article 5

The total capital of the Company is Nine Billion New Taiwan Dollars (NT$9,000,000,000), divided into Nine hundred Million (900,000,000) shares with a par value of Ten New Taiwan Dollars (NT$10) each and in registered form. The Board of Directors is authorized to issue the un-issued shares in installments.
A total of 16,000,000 shares among the above total capital should be reserved for issuance of new shares for performing obligation under the employee stock options, which may be issued in installments.

Article 6

The share certificates of the Company shall be all in registered form. The share certificates, after due registration with the competent authority, shall be signed or sealed by the representative director and stocks shall be issued after proper certification by the competent authorities.
The Company may deliver non-physical shares or other securities after registrating in the security depositiry institutions.

Article 7
Unless otherwise specified in applicable laws and regulations, the shareholders services shall be handled in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.

Chapter 3: Shareholders' Meetings

Article 8
Shareholders' meetings shall be of two types, ordinary meetings and extraordinary meetings. Ordinary meetings shall be convened annually by the Board within six months of the end of each fiscal year. Extraordinary meetings shall be convened in accordance with the relevant laws, whenever necessary.

Article 9
Unless otherwise provided in applicable law and regulations, a resolution shall be adopted at a meeting attended by the shareholders holding and representing a majority of the total issued and outstanding shares and at which meeting a majority of the attending shareholders shall vote in favor of the resolution. In case a shareholder is unable to attend a shareholders' meeting, such shareholder may issue a proxy in the form issued by the Company, setting forth the scope of authorization by signing and affixing such shareholder's seal on the proxy form for the representative to be present on such shareholder's behalf. Except for trust enterprises or other stock transfer agencies approved by the securities authorities, if a person is designated as proxy by more than two shareholders, any of such person's voting rights representing in excess of 3% of the total issued and outstanding shares shall not be considered. The relevant matters related to the use and rescission of the proxy shall be conducted in accordance with the Company Law and applicable rules. After the Company becomes a publicly issued company, if there is a proposal for cancelling the Company's status as a publicly issued company, such proposal shall be submitted to the shareholders meeting for approval and during the period the Company is listed on the emerging market of the GretTai Securities Market or after the Company is listed on the Taiwan Stock Exchange (or the main board or emerging market of the GretTai Securities Market), the Company shall not amend this article.

Chapter 4: Board of Directors and Audit Committee

Article 10
The Company shall have five to nine directors. Directors shall be elected from a slate of director candidates, which are nominated under the Candidate Nomination System, at shareholders' meetings. Within the entire Board, the Company shall have at least three independent directors on the Board. The professional qualifications, restrictions on the shareholdings and concurrent positions held, method of nomination and election, and other matters with respect to independent directors shall be in compliance with applicable laws and regulations. The term of office for all directors shall be three (3) years. The directors are eligible for re-election. The number of the directors shall be decided by the board of directors.
The Company may take out liability insurance for the directors with respect to the liabilities resulting from exercising their duties during their terms of office.
The Board is authorized to determine the compensation for the directors, taking into account the extent and value of the services provided for the Company's operation and with reference to the standards of local and overseas industry.

Article 10-1
Pursuant to Article 14-4 of the Securities and Exchange Law, the Company shall have the audit committee which shall be composed of all independent directors.

Article 11
The Company shall have a chairman of the Board. The chairman of the Board shall be elected by and among the directors by a majority of directors present at a meeting attended by more than two thirds of directors. The chairman of the Board shall preside internally at the meetings of the Board and shall externally represent the Company. In case the chairman of the Board asks for leave or for other reason cannot exercise his power and authority, the chairman of the Board may designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect a designee from among themselves.

Article 12
Where a director is unable to attend a meeting of the Board, he may appoint another director to represent him by proxy in accordance with Article 205 of the Company Law. Each director may act as a proxy for one other director only.
The meeting of the Board of Directors shall be convened in accordance with the Company Law. In calling a meeting

of the Board of Directors, a notice may be given to each director by means of electronic mail or facsimile.

Chapter 5: President & Vice Presidents

Article 13

The Company shall have one or more managerial personnel. Appointment, dismissal, and remuneration of the president and vice presidents shall be subject to the provisions of the Company Law.

Chapter 6: Accounting

Article 14

After the end of each fiscal year, the Board shall prepare and submit the following documents in compliance with acts and regulations to the shareholders at the ordinary meeting of shareholders for their acceptance.

(1) business report,

(2) financial statements,

(3) proposal for allocation of earnings or recovery of loss.

Article 15

If the Company is profitable, it shall set aside 5%~20% as employee remuneration and 1% or less as the remuneration of directors and supervisors. However, if the Company has accumulated deficit, it shall first offset the accumulated deficit. Employee remuneration shall be distributed in the form of shares or cash, with recipients being the employees of the Company or the subsidiaries of the Company that meet certain criteria set by the Board of Directors.

Article 15-1

When allocating the earnings for each fiscal year, the Company shall first pay all taxes and dues, then offset its accumulated deficit and set aside a legal reserve at 10% of the earnings, until such accumulated legal reserve equals the amount of paid-in capital of the Company; then set aside special reserve in accordance with applicable laws or regulations. The remaining balance together with unappropriated earnings from previous years as dividends to stockholders, shall draft a proposal to distribute the earnings. Distributing dividends and the total or partial bonus through issuing new shares should be decided by the shareholders' meeting. If issuing cash is the case, it would be decided by the board of directors and be informed to the shareholders' meeting.

The Company's dividend policy is to pay dividends from surplus considering factors such as the Company's current and future investment environment, cash requirements, competitive conditions and capital budget requirements, and taking into account the shareholders' interest, maintenance of a balanced dividend and the Company's long term financial plan.

If the retained earnings available for distribution of the current year reaches 2% of the paid in capital of the Company, no less than 20% of the retained earnings available for distribution of the current year shall be distributed as dividend. If the retained earnings available for distribution of the current year does not reach 2% of the paid in capital of the Company, the Company may distribute no dividend. No less than 10% of the total dividend to be paid with respect to any fiscal year shall be paid in the form of cash.

Article 15-2

When the company incurs no loss, it may issue cash from the amount of legal reserve over 25% of paid-in capital and the total or partial amount of capital surplus according to the regulation of the company. The former mentioned offerings should proportionately distribute to shareholders based on their original shares. The Board of Directors should resolve on such case and report to shareholders.

Article 15-3

Whatever the company exerts on rewarding employees affiliated with the company, such as offering cash, issuing stock, issuing stock warrants, issuing restricted stock award, transfering the repurchased shares to employees, and issuing new shares to these employees with their rights reserved in compliance with acts and regulations, should be resolved by the Board of Directors or be determined by the authorized member about requirements and the way of allocation.

Chapter 7: Supplementary Articles

Article 16

With respect to the matters not provided herein, the Company Law and other applicable laws and regulations shall govern.

Article 17

These Articles of Incorporation were enacted on April 29, 2008.
The first amendment was made on May 5, 2008.
The second amendment was made on October 20, 2008.
The third amendment was made on June 29, 2009.
The fourth amendment was made on February 1, 2010.
The fifth amendment was made on April 29, 2011.
The sixth amendment was made on October 31, 2012.
The seventh amendment was made on October 14, 2014.
The eighth amendment was made on May 28, 2015.
The ninth amendment was made on June 03, 2016
The tenth amendment was made on June 05, 2018
The eleventh amendment was made on June 6, 2019.
The twelfth amendment was made on June 9, 2020.

Appendix 3:

Shareholding of Directors

(1) As of July 9, 2020, the first date of local bookclose period for the 2020 First Extraordinary Shareholders' Meeting, the issued capital of the Company is NT$ 5,150,363,800 representing 515,036,380 common shares. In accordance with the Article 26 of ROC Securities & Exchange Act, the minimum requirements of the collective shareholding for directors are 20,601,455 common shares

(2) As of July 9, 2020, the actual collective shareholdings of directors were shown as below:

Title	Name of Representative	Shareholders Represented	No. of Shareholding	Shareholding %
Chairman	**Feng Cheng Su**		**3,440,047**	**0.67**
Director	**Hsuan Bin (H.B.) Chen**		**170,905**	**0.03**
Director	**Teng-Huei Huang**		**2,098,762**	**0.41**
Director	**Tien-Yu Lin**	**AU Optronics Corp**	**78,418,450**	**15.23**
Director	**Wei-Lung Liau**	**AU Optronics Corp**	**78,418,450**	**15.23**
Independent Director	**Sen Tai Wen**		**0**	**0.00**
Independent Director	**Yih Lian Chen**		**0**	**0.00**
Independent Director	**Shian-Ho Shen**		**0**	**0.00**
Total			**84,128,164**	**16.34**