



## **Plastron Precision Co., Ltd.**

# **The 2023 Regular Shareholders Meeting**

## **Meeting Handbook**

**Type of the Meeting : Physical shareholders' meeting**

**Date of the Meeting : June 12, 2023 (Monday)**

**Place of the Meeting: 3F., No.1, Lane. 11, Tzu-Chiang St. , Tu-Cheng  
Dist., New Taipei City , Taiwan**

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# **Plastron Precision Co., Ltd.**

## **Procedure for the 2023 Regular Shareholders Meeting**

**I. Call the meeting to order**

**II. Chairman's opening remarks**

**III. Report items**

**IV. Ratifications**

**V. Discussions (I)**

**VI. Election**

**VII. Discussions (II)**

**VIII. Extraordinary motions**

**IX. Meeting adjourned**

# **Plastron Precision Co., Ltd.**

## **Agenda of the 2023 Regular Shareholders Meeting**

**I. Time & Date: 9:00 a.m. on June 12, 2023 (Monday)**

**II. Place of the Meeting: 3F., No.1, Lane. 11, Tzu-Chiang St. , Tu-Cheng Dist.,  
New Taipei City , Taiwan(The Company)**

**III. Report on the number of shares present and call the meeting to order**

**IV. Chairman remarks**

**V. Report items**

- (I) Report on 2022 business operating conditions.
- (II) Report on 2022 financial statements reviewed by the Audit Committee.
- (III) Report on 2022 execution of investments in China.
- (IV) Report on 2022 employee and director remuneration distribution.
- (V) Report on 2022 receipt of director remuneration.
- (VI) Report on 2022 distribution of cash dividends.

**VI. Ratifications**

- (I) Motion for the Company's 2022 financial statements.
- (II) Motion for the Company's 2022 earnings distribution.

**VII. Discussions (I)**

- (I) Motion for amendment to some provisions of the Rules of Procedure for Shareholders' Meetings.
- (II) Motion for amendment to some provisions of the Articles of Incorporation.
- (III) Motion for amendment to some provisions of the Procedures for the Acquisition and Disposal of Assets.

**VIII. Election:** Election of directors.

**IX. Discussion (II):** Motion for lifting the non-compete restriction of newly elected directors.

**X. Extraordinary motions**

**XI. Meeting adjourned**

## Report items:

### **Motion 1 (Proposed by the Board of Directors)**

Cause: Report on 2022 business operating conditions.

Description: For the report on 2022 business operating conditions, please refer to Attachment 1 on p.9~10 of the Handbook.

### **Motion 2 (Proposed by the Board of Directors)**

Cause: Report on 2022 financial statements reviewed by the Audit Committee

Description: 1. For the report on 2022 financial statements reviewed by the Audit Committee, please refer to Attachment 2 on p.11 of the Handbook.  
2. The Audit Committee members are asked to read the review report.

### **Motion 3 (Proposed by the Board of Directors)**

Cause: Report on 2022 execution of investments in China.

Description: For information related to indirect investments in China through subsidiaries in a third place, please refer to Attachment 3 on p.12 of the Handbook.

### **Motion 4 (Proposed by the Board of Directors)**

Cause: Report on 2022 employee and director remuneration distribution.

Description: For report on 2022 employee and director remuneration distribution, please refer to Attachment 4 on p.13 of the Handbook.

### **Motion 5 (Proposed by the Board of Directors)**

Cause: Report on 2022 receipt of director remuneration.

Description: For report on 2022 receipt of director remuneration, please refer to Attachment 5 on p.14 of the Handbook.

### **Motion 6 (Proposed by the Board of Directors)**

Cause: Report on 2022 distribution of cash dividends.

Description: 1. Under Article 240 of the Company Act and Article 20 of the Company's Articles of Incorporation, the Board of Directors is delegated to resolve any distribution of earnings in cash to be reported at the shareholders' meeting.  
2. The Company's meeting of the Board of Directors held on February 23, 2023 resolved to allocate NT\$44,960,259 of cash dividends from accumulated earnings at NT\$0.3 per share. June 19, 2023 was set as the ex-dividend date and cash dividends are to be distributed on July 7, 2023.

## **Ratifications:**

### **Motion 1 (Proposed by the Board of Directors)**

Cause: The Company's 2022 financial statements are hereby presented for ratification.

Description: 1. The Company's 2022 financial statements were audited by CPAs Chang Jung-Chih and Lee Tsung-Ming of PKF Taiwan. The 2022 Financial Statements, along with the Business Report and the Profit Distribution Table were approved by the Board of Directors and submitted to the Audit Committee for review, with a review report issued.

2. For the 2022 Business Report, Audit Committee's Review Report, Independent Auditors' Report, and Financial Statements, please refer to Attachment 1 on p.9~10 of the Handbook, Attachment 2 on p.11 of the Handbook, Attachment 6 on p.16~24 of the Handbook, and Attachment 7 on p.25~23 of the Handbook.

3. Presented for ratification.

Resolution:

### **Motion 2 (Proposed by the Board of Directors)**

Cause: The Company's 2022 earnings distribution is hereby presented for ratification.

Description: 1. This motion was approved by the Board of Directors.

2. For the 2022 Profit Distribution Table, please refer to Attachment 8 on p.34 of the Handbook.

3. Presented for ratification.

Resolution:

## **Discussions (I)**

### **Motion 1 (Proposed by the Board of Directors)**

Cause: Motion for amendment to some provisions of the Rules of Procedure for Shareholders' Meetings is hereby presented for ratification.

Description: 1. To accommodate the amendment to the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings made by the competent authority on March 8, 2022, amendment to some provisions of the Rules of Procedure for Shareholders' Meeting was proposed.

2. For Table of Amendments to the Rules of Procedure for Shareholders Meetings, please refer to Attachment 9 on p.35~61 of the Handbook.
3. Presented for ratification.

Resolution:

### **Motion 2 (Proposed by the Board of Directors)**

Cause: Motion for amendment to some provisions of the Articles of Incorporation is presented for ratification.

Description: 1. To accommodate the amendment to the "Company Act" released by the Legislative Yuan on December 29, 2021, amendment to some provisions of the Articles of Incorporation was proposed.

2. For Table of Amendments to the Articles of Incorporation, please refer to Attachment 10 on p.62~67 of the Handbook.
3. Presented for ratification.

Resolution:

### **Motion 3 (Proposed by the Board of Directors)**

Cause: Motion for amendment to some provisions of the Procedures for Asset Acquisition and Disposal of Assets is hereby presented for ratification.

Description: 1. To accommodate the amendment to the law and regulations and the Company's operational needs, amendment to some provisions of the Procedures for Asset Acquisition and Disposal of Assets was proposed.

2. For Table of Amendments to the Procedures for the Acquisition and Disposal of Assets, please refer to Attachment 11 on p.68~80 of the Handbook.
3. Presented for ratification.

Resolution:

## Election:

Cause: Election of directors. **(Proposed by the Board of Directors)**

Description: 1. The term of office of the Company's directors expires on June 16, 2023. Under the Articles of Incorporation, an election for 7 directors (including 3 independent directors) is proposed to be held.

2. The new directors shall take office upon being elected for a term of 3 years from June 12, 2023 to June 11, 2026. The former directors shall retire from office with effect on the date of election of the new directors.

3. Under Article 192 of the Company Act and Article 13 of the Company's Articles of Incorporation, 4 directors and 3 independent directors are to be elected by the candidate nomination system. A list of candidates for directors (including independent directors) is as follows:

Number of seats	Title	Name	Education	Current position	Work experience	Number of shares held
1	Director	Chuntian Investment Co., Ltd. Representative Chen Wen-chien	San-Chung Commercial and Industrial Vocational High School	Chairman, Plastron Precision Co., Ltd.	Chairman, Plastron Precision Co., Ltd.	20,455,644
2	Director	Kuan-Chu Investment Co., Ltd.	-	Director, Plastron Precision Co., Ltd.	-	9,298,069
3	Director	Kuo Chao-Chen	San-Chung Commercial and Industrial Vocational High School	1.President, Plastron Precision Co., Ltd. 2.Chairman, SY-THERMAL INC. 3.Chairman, LOGSUN INDUSTRIAL CO., LTD. 4.Director, SYT HOLDING LIMITED 5.Representative of institutional shareholder, WAREMAX ELECTRONICS CORP.	-	658,597
4	Director	Wu Jian-Dong	National Chengchi University	1.Director, Yong Cheng CPAs. 2.President, CHIA HER INDUSTRIAL CO., LTD 3.Director, Channel Well Technology Co.,Ltd. 4.Director, Ching Feng Home Fashions Co., Ltd. 5.Certified Securities Investment Analyst	1.Auditor, KPMG in Taiwan 2.Vice President, Underwriting Department, Tai Yu Securities Co., Ltd.	149



Number of seats	Title	Name	Education	Current position	Work experience	Number of shares held
5	Independent Director	Chen Wen-Yu	Tamkang University	Independent director of Plastron Precision Co., Ltd.	1.Chairman, Jheng-Ren SILK MILL CO., LTD. 2.Managing director, Da-Dao International Co., Ltd.	42,110
6	Independent Director	Hsieh Fang-Chu	Chinese Culture University	1.Supervisor, WAN POLO CO., LTD. 2.Independent director of KINGSTATE ELECTRONICS CORPORATION 3.Director, CHAN FUN INVESTMENT CO., LTD. 4.Director, TAIMIDE TECHNOLOGY INCORPORATION 5.Supervisor, WeatherRisk Explore Inc.	-	-
7	Independent Director	Lu Fu-Qi	Guang Rong Junior High School	General manager, HERDON MACHINERY ENT. CO., LTD.	-	-

Voting Results:

## Discussions (II):

Cause: Motion for lifting the non-compete restriction of newly elected directors is hereby presented for ratification. **(Proposed by the Board of Directors)**

Description: 1. According to Article 209 of the Company Act, “directors who act for themselves or others within the company’s business scope shall explain the important content of their actions to and obtain permission from the shareholders meeting.”

2. Without jeopardizing the Company’s interests, the directors may act for themselves or others within the Company’s business scope. With the approval of the shareholders’ meeting, the lifting of the non-compete restriction of newly elected directors is submitted in accordance with the law. Details of the lifting of the non-compete restriction are as follows:

Position	Name	Name of company and responsibilities currently working as a part-time employee
Director	Kuo Chao-Chen	1.Chairman, SY-THERMAL INC. 2.Chairman, LOGSUN INDUSTRIAL CO., LTD. 3.Director, SYT HOLDING LIMITED 4.Representative of institutional shareholder, WAREMAX ELECTRONICS CORP.
Director	Wu Jian-Dong	1.President, CHIA HER INDUSTRIAL CO., LTD 2.Director, Channel Well Technology Co.,Ltd. 3.Director, Ching Feng Home Fashions Co., Ltd.
Independent Director	Hsieh Fang-Chu	1.Supervisor, WAN POLO CO., LTD. 2.Independent directors of KINGSTATE ELECTRONICS CORPORATION 3.Director, CHAN FUN INVESTMENT CO., LTD. 4.Director, TAIMIDE TECHNOLOGY INCORPORATION 5.Supervisor, WeatherRisk Explore Inc.
Independent Director	Lu Fu-Qi	General manager, HERDON MACHINERY ENT. CO., LTD.

3. Presented for ratification.

Resolution:

**Extraordinary motions:**

**Meeting adjourned**

**(Attachment 1)**

## **Business Report**

In 2022, the COVID-19 pandemic continued, but has gradually become an influenza and the threat to life and health is reduced. The world is slowly moving out of the haze, and various countries have successively lifted border controls and gradually resumed their lives from before the pandemic. However, the factors that have severely impacted the economic growth of various countries and global trade are still present, and the world is still in an economic recession, which has also affected the connector industry. The rapid turnover of consumer electronic products and significant fluctuations in raw material prices have led to high research and development costs; as the inflation factor has reduced consumption willingness, inventory adjustment will become another topic. Therefore, the Company has been committed to developing related peripheral products for industrial application, internet communication and automobiles in recent years in order to increase market competitiveness. However, currently the international economy is still facing many risk variables, including inflation and interest rate hike, the trend of international oil price, financial market fluctuations and increased geopolitical risks, which affect the international economic prospects. The Company will continuously pay attention to the situation and communicate with customers when appropriate to reduce the impact on the Company's operations.

### **I. 2022 Operating Results**

#### **(I) Consolidated financial results**

The consolidated operating revenue of the Company for 2022 was NT\$589,576 thousand, an increase of 12.19% compared with NT\$525,506 thousand in 2021. The consolidated gross profit from operations for 2022 was NT\$197,558 thousand, an increase of 73.35% compared with NT\$113,967 thousand in 2021. The consolidated profit for 2022 was NT\$43,865 thousand, an increase of 143.90% compared with NT\$(99,928) thousand in 2021, and the earnings per share in 2022 was NT\$0.29.

#### **(II) Budget implementation : None ◦**

#### **(III) Financial Income and Expenditure and Profitability Analysis**

Unit: NT\$ thousands ; %

Item		2021	2022
Financial Income and Expenditure	Net operating income (loss)	(117,127)	(17,035)
	Non-operating income and expenses	17,254	65,533
	Income before tax	(99,873)	48,498
	Net income (Loss)	(99,928)	43,865
Profitability Analysis	Return on total assets	(3.78)	1.71
	Return on stockholders' equity	(4.62)	2.06
	Pre-tax income to paid-in capital	(6.66)	3.23
	Profit ratio	(19.01)	7.44
	Earnings per share (dollar) — After retrospective adjustment	(0.67)	0.29

#### **(IV) Research and development status**

The Company mainly develops various types of board to board connectors and USB connectors for digital and network applications. The focus of product development in 2023 was on customized specification connectors, targeting

industries such as industrial peripheral equipment, power supplies, network communication equipment and connectors for electronic products such as automobiles.

## **II. Business Plan for 2023**

### **(I) Business objective**

In 2023, the Company will implement the business philosophy of "research and development and innovative technology", "quality control by all staff and in search of excellence", and "improving efficiency and reducing costs" with a more proactive attitude, so as to comply with ISO quality management requirements; the Company will enhance the level of comprehensive quality management, strengthen internal business management, and develop high value-added products.

### **(II) Sales forecast and sales policy**

Based on the actual number of orders received in 2022, recent orders received and industry information, the Company predicts that the consolidated sales volume in 2023 will continue to grow compared with that in 2022.

### **(III) Important Production and Marketing Policies**

1. Master the market trend and quickly introduce products.
2. Implement the cost reduction plan, increase the proportion of automated production and improve the production and marketing functions and timeliness.
3. Effectively control costs and improve product profit margins.
4. Improve production processes and provide timely services.

## **III. The Company's Future Development Strategy, The Impact of the External Competitive Environment, Regulatory Environment, and Macroeconomic Conditions**

In terms of the Company's development strategy, the goal is to target key industrial customers, with the policy of increasing added value and the guiding principle of targeting niche products, pay attention to the international situation and environmental changes, adjust the strategy and direction in a timely manner, continue integrating the existing technical capabilities, optimize the manufacturing process, accelerate the promotion of the proportion of automated production, combine software development, optimize the production management system, and establish the comprehensive competitiveness of production and marketing.

The Company will be customer-oriented, jointly develop new product lines with customers, enhance company value, continue the deep cultivation of existing customers, leverage the manufacturing advantages of vertical integration of the Company and serve customers, in order to achieve the win-win goal with customers.

In the future, the Company will continue adhering to the business philosophy of ethics and professionalism; all employees will keep demanding themselves in the face of the rapidly changing business environment and improve product quality, so as to promote the Company's sustainable development goal and plan and achieve a good performance.

Chairman:

Manager:

Chief Accounting Officer:

(Attachment 2)

## Plastron Precision Co., Ltd.

### Audit Committee's Review Report

The Board of Directors prepared the Company's 2022 business report, motions for the parent company only report and consolidated financial report and earnings allocation. Among them, the parent company only financial report and consolidated financial report were audited by PKF Taiwan as delegated by the Board of Directors, with an audit report issued thereafter.

Business report, motions for the parent company only report and consolidated financial report and earnings allocation as stated above have been audited by the Audit Committee and found to be in compliance with applicable laws and regulations. We have presented you the reports based on the provisions stipulated in Article 14-4 in the Securities and Exchange Act and Article 219 in the Company Act.

Regards,

2023 Regular Shareholders Meeting of Plastron Precision Co., Ltd.

Convener of the Audit Committee: Chen Wen-Yu

February 23, 2023

## (Attachment 3)

Plastron Precision Co., Ltd.  
Information on Investment in Mainland China  
January 1 to December 31, 2022

Unit: NT\$ Thousand / USD

Name of Investee in Mainland China	Main business	Paid-in capital	Investment method	Accumulated investment amount from Taiwan at the beginning of the period	Outward remittance or repatriation of investment amount of the period		Accumulated investment amount from Taiwan at the end of the period	Current income (loss) of the investee	Ownership percentage of direct or indirect investment	Investment gains/losses recognized in the period	Book value of investment at the end of the period	Investment gains repatriated in the period
					Outward remittance	Repatriation						
Plastron Electronics (Suzhou) Co., Ltd.	R&D, design, production and sales of new instrument components, optical fiber connecting lines, heat dissipation modules, precision metal stamping dies and lighting fixtures; wholesale, import and export of electronic components and similar products produced by the Company, and lease of non-residential real estate.	166,144 (USD5,000,000.00)	(note 1)	166,144 (USD5,000,000.00)	-	-	166,144 (USD5,000,000.00)	9,365	100.00%	9,365 (Note 2)	330,202 (Note 2)	-
Plastron Technology (Shenzhen) Co., Ltd.	Sales of electronic products, technical services, technical consultation, commission agency (except auction), and import and export of goods and technologies	405,488 (USD12,152,460.39)	(note 1)	346,146 (USD10,343,460.39)	-	-	346,146 (USD10,343,460.39)	35,381	100.00%	35,381 (Note 2)	415,406 (Note 2)	188,629
Plastron Electronics (Anhui) Co., Ltd.	R&D, production and sales of new instrument components, automobile connectors, computer connectors, mobile phone connectors, precision metal molds, plastic molds, precision cavity molds, electronic product accessories and hardware; non-metal and metal surface treatment; precision machining with CNC machine tools; wholesale, import and export of electronic components.	922,982 (USD30,000,000.00)	(note 1)	624,478 (USD20,300,000.00)	-	-	624,478 (USD20,300,000.00)	17,049	100.00%	17,049 (Note 2)	665,850 (Note 2)	-

Accumulated investment amount remitted to mainland China from Taiwan at the end of the period	Investment amount approved by the Investment Commission, MOEA	Limit on investment regulated by the Investment Commission, MOEA
NT\$1,154,006 (USD36,218,550.79)	NT\$1,275,021 (USD40,159,105.49)	NT\$1,299,042

Note 1: Investment method: reinvestment in Mainland China companies through a company in a third region.

Note 2: It is calculated and recognized based on the current financial statements of the company reviewed by the parent company's CPA.

Note 3: The expression of consolidated statements has been consolidated and written off.

**(Attachment 4)**

**Employee and Director Remuneration Distribution**

I. Employee and director remuneration distribution rate:

Under Article 20 of the Company's Articles of Incorporation, if the Company makes a profit for the year, the Company shall set aside no less than 1.5% of the profit as remuneration to employees and no more than 2% of the profit as remuneration to directors/supervisors. However, where there are accumulated losses, profits shall be set aside to cover the Company's accumulated losses.

II. Employee and director remuneration distribution amount:

The Company's 2022 employee remuneration and director remuneration were approved by the Remuneration Committee and Board of Directors meeting on February 23, 2023. The distribution amounts were calculated as follows:

Items	Amount	Remark
2022 income before income tax(before distribution)	60,368,670	
Less : Distribution items		
Employee's compensation-stock	-	
Employee's compensation-cash	(905,530)	(Note 1)
Directors' remuneration-cash	(1,207,373)	(Note 2)
2022 Net income before income tax	58,255,767	

Note 1: The 1.5% of the profit as remuneration were approved by the Remuneration Committee and Board of Directors meeting on February 23, 2023

Employee's compensation(cash)=  $[ 58,255,767 \div ( 1-2\%-1.5\% ) ] \times 1.5\% = \$905,530$  °

Note 2: The 2% of the profit as remuneration were approved by the Remuneration Committee and Board of Directors meeting on February 23, 2023

Directors' remuneration=  $[ 58,255,767 \div ( 1-2\%-1.5\% ) ] \times 2\% = \$1,207,373$  °

III. The difference between the distribution amount approved by the Board of Directors and the estimated amount recognized in the year:

Unit: NT \$

Distribution item	Employee remuneration - stock	Employee remuneration - cash	Remuneration of directors
The distribution amount approved by the Board of Directors	-	905,530	1,207,373
Estimated amount recognized in annual expenses	-	905,530	1,207,373
Amount of difference	-	-	-
Reason and action taken	Not applicable.	Not applicable.	Not applicable.

**(Attachment 5)**

**Receipt of director remuneration**

I. The remuneration policy for the directors and independent directors and its correlation with the results of performance evaluation:

1. Under Article 16 and Article 20 of the Company's Articles of Incorporation, the Board of Directors is authorized to decide the rates of remuneration to directors, based on the extent of their participation in and value of the contribution to the Company's operations and concerning industry standards. If the Company makes a profit for the year, the Company shall set aside no less than 1.5% of the profit as remuneration to employees and no more than 2% of the profit as remuneration to directors/supervisors. However, where there are accumulated losses, profits shall be set aside to cover the Company's accumulated losses.
2. The Company's director remuneration is determined based on the evaluation results of the "Charter of the Remuneration Committee" and "Rules for Performance Evaluation of the Board of Directors", while taking into consideration their individual responsibilities, risks and amount of time contributed to the Company. The director remuneration is subject to approval of the Remuneration Committee and be submitted to the Board of Directors for resolution. The evaluation results as described above are used as a reference in the selection or nomination of directors.



II. 2022 director remuneration amount:

Unit: NT\$ thousand

Position	Name	Remuneration to directors				Sum of A, B, C, and D as a % of the net income after tax		Remuneration received for serving as an employee concurrently				Sum of A, B, C, D, E, F, and G as a % of the net income after tax		Remuneration from investees other than subsidiaries
		returns (A)	Severance and pension (B) (Note 1)	Remuneration of directors (C)	Business execution expenses (D)	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		
Chairman	Chuntian Investment Co., Ltd. Representative Chen Wen-Chien	3,235	195	-	50	7.93 %	7.93 %	-	-	-	-	7.93 %	9.14 %	None
Director	Kuan-Chu Investment Co., Ltd.	-	-	-	50	0.11 %	0.11 %	-	-	-	-	0.11 %	0.11 %	None
Director	Kuo Chao-Chen	-	-	-	50	0.11 %	0.11 %	144	144	-	-	5.87 %	5.87 %	None
Director	Wu Jian-Dong	-	-	-	50	0.11 %	0.11 %	-	-	-	-	0.11 %	0.11 %	None
Independent Director	Chen Wen-Yu	2	-	60	110	0.39 %	0.39 %	-	-	-	-	0.39 %	0.39 %	None
Independent Director	Hsieh Fang-Chu	1	-	60	110	0.39 %	0.39 %	-	-	-	-	0.39 %	0.39 %	None
Independent Director	Lu Fu-Qi	-	-	60	110	0.39 %	0.39 %	-	-	-	-	0.39 %	0.39 %	None

(Attachment 6)

## Independent Auditors' Report

To Plastron Precision Co., Ltd.

### **Audit opinion**

We have duly audited the Parent Company Only financial statements of Plastron Precision Co., Ltd., which comprise the Parent Company Only balance sheets as of December 31, 2022 and 2021, and the Parent Company Only comprehensive income statement, Parent Company Only statement of changes in equity and Parent Company Only cash flow statement from January 1 to December 31, 2022 and 2021, and the notes to the Parent Company Only financial statements (including a summary of significant accounting policies).

In our opinion, the Parent Company Only financial statements above present fairly, in all material respects, the Parent Company Only financial position of the Plastron Precision Co., Ltd as of December 31, 2022 and 2021, and its Parent Company Only financial performance and Parent Company Only cash flows from January 1 to December 31, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), interpretations and interpretation announcements recognized and published by the Financial Supervisory Commission.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulation Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. The auditors of the firm, subject to the independence regulations, have maintained independence from the Plastron Precision Co., Ltd in accordance with the Code of Ethics, and perform other obligations of such Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Parent Company Only financial statements of the Plastron Precision Co., Ltd for the year 2022. These matters were addressed in the context of our audit of the Parent Company Only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We judge that the key audit matters to be communicated in the audit report are as follows:

#### I. Recognition and closing of sales revenue

Please refer to note 4(15) to the Parent Company Only financial statements for the accounting policies for revenue recognition; please refer to note 5(1) to the Parent Company Only financial statements for the accounting estimate and assumption uncertainties of revenue recognition; please refer to note 6(18) to the Parent Company

Only financial statements for details on income recognition.

1. Description of key audit matters:

The sales mode of Plastron Precision Co., Ltd. is mainly that the factory in charge of production and manufacturing directly delivers goods to customers according to the agreed trade terms, and the revenue is recognized when the performance obligations are met. However, the time point for revenue recognition may be inappropriate because the goods have not been actually delivered or the transaction terms of individual sales contracts are different, which may lead to that the ownership of inventory and loss risk have not been transferred, Therefore, we believe that the cut-off and recognition of sales revenue are areas of high concern in the audit.

2. Our main audit procedures for the key audit items above include:

- (1) Ask the management for the understanding and review of the recognition procedures of sales revenue, and adopt them consistently during the comparison period of financial statements.
- (2) Understand and test the effectiveness of the design and implementation of internal control over sales revenue.
- (3) Select a period before and after the financial reporting to check various vouchers to ensure that the time for sales, sales returns and sales allowances have been properly ended.
- (4) Check the factory's shipping documents and sales orders to confirm the correctness of transaction conditions and revenue recognition time points.

II. Inventory evaluation

Please refer to note 4(7) to the Parent Company Only financial statements for the accounting policies for inventory; please refer to note 5(2) to the Parent Company Only financial statements for the accounting estimate and assumption uncertainties of revenue recognition; please refer to note 6(5) to the Parent Company Only financial statements for details of inventory recognition.

1. Description of key audit matters:

The inventory value may be subject to the fluctuation of market demand, resulting in the loss of dead or obsolete stock. When the inventory is obsolete or the selling price drops, the inventory cost may not be recovered. Since the identification of the possibility of impairment involves the subjective judgment of the management, we believe that the reasonableness of the inventory depreciation loss assessment is an area of great concern in the audit.

2. Our main audit procedures for the key audit items above include:

- (1) Ask the management for the understanding and review of the recognition procedures of sales revenue, and adopt them consistently during the comparison period of financial statements.
- (2) Compare and analyze the difference between the provision of allowance for

inventory falling price loss in previous years and the actual scrapping or offsetting, and assess the reasonableness of the provision policy for allowance of inventory falling price loss.

- (3) Verify the appropriateness of the inventory aging report's system logic used by the management for evaluation, so as to confirm that obsolete inventory items exceeding a certain inventory age have been included in the report.
- (4) Evaluate the reasonableness of obsolete or damaged inventory items individually identified by the management and check with relevant supporting documents.
- (5) Check the latest sales or purchase price of the inventory at the end of the period to confirm that the inventory has been evaluated according to the lower of cost and net realizable value.

### **Responsibilities of Management Level and the Governance Unit for the Parent Company Only Financial Statements**

The Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Parent Company Only financial statements, the responsibilities of the management also include assessing the Plastron Precision Co., Ltd ability to continue as a going concern, disclosing relevant matters, and adoption of accounting basis for continuing operations, unless the management intends to liquidate Plastron Precision Co., Ltd or suspend its business, or there is no practical plan other than liquidation or suspension.

The governance unit (including supervisors) of Plastron Precision Co., Ltd is responsible for supervising the financial reporting process.

### **Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements**

The purpose of our audit is to obtain reasonable assurance about whether the Parent Company Only financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue a report thereon. The term of "reasonable assurance" refers to high level of assurance. Nevertheless, the audit performed according to the standards on Auditing of the Republic of China cannot guarantee the discovery of material misstatement in the financial statements. Misstatements can arise from fraud or error. Individual amounts or aggregates that are not true are considered material if they could reasonably be expected to affect the economic decisions made by users of the Parent Company Only financial statements.

As part of an audit in accordance with the standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Parent Company Only financial statements arising from fraud or error; design and implement appropriate responses to the risks assessed; and obtain sufficient and appropriate evidence to provide a basis for the audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of the internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Plastron Precision Co., Ltd. ' internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
4. Based on the evidence obtained, we have made a conclusion on the appropriateness of management's adoption of the going concern basis of accounting and whether there is any material uncertainty about the events or circumstances that may cast significant doubt on the ability of Plastron Precision Co., Ltd. to continue as a going concern. If we believe that there is a material uncertainty about such events or conditions, we should draw the attention of users of the Parent Company Only financial statements to the relevant disclosures in the audit report or revise our audit opinion if such disclosures are inappropriate. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or circumstances may cause Plastron Precision Co., Ltd. to cease to have the ability to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Parent Company Only financial statements (including the related notes), and whether the Parent Company Only financial statements present fairly the related transactions and events.
6. Obtain sufficient and appropriate audit evidence for the financial information of individual entities of the Plastron Precision Co., Ltd, and provide an opinion on the Parent Company Only financial statements. We are responsible for the direction, supervision and execution of the Parent Company Only audits, and for forming an opinion on the Parent Company Only audits.

Our communication with the governance unit covered the scope and timing of the planned audit and significant audit findings (including significant deficiencies in internal control identified during the audit).

We also provided the governance unit with a statement that the independence-regulated personnel of the firm to which we are affiliated have complied with the Code of Ethics for Accountants with respect to independence, and communicated with the governance unit

about all relationships and other matters (including related safeguards) that may be considered to affect the accountant's independence.

From the matters communicated with the governance unit, we decided on the key audit items for the audit of the annual Parent Company Only financial statements of Plastron Precision Co., Ltd. for 2022. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PKF Taiwan

Chang, Jung-Chih      Certified Public Accountant

Lee, Tsung-Ming      Certified Public Accountant

Certification approvals of the Securities and Futures Bureau,  
FSC (the former SFC, MOF):

letter referenced Jin-Guan-Cheng-Shen No. 1030006182 and  
letter referenced (90) Tai-Tsai-Cheng(VI) No. 145560

February 23, 2023

Notice to Readers

*The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail*

Plastron Precision Co., Ltd  
Parent company only balance sheets  
December 31, 2022 and 2021

Unit: NT\$ thousand

Code	Asset	December 31, 2022		December 31, 2021		Notes	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%		Amount	%	Amount	%
11XX	Current asset									
1100	Cash and cash equivalents	\$ 163,217	6.84	\$ 150,236	6.52	21XX		\$ 57	-	\$ 28
1110	Current financial assets at fair value through profit or loss	66,659	2.80	27,967	1.21	2150	Current liabilities			
		126,183	5.29	117,685	5.10		Notes payable			
1136	Current financial assets at amortized cost	5,648	0.24	3,691	0.16	2170	Accounts payable	621	0.03	588
1150	Net value of notes receivable	30,402	1.28	27,438	1.19	2180	Payables to related parties	30,553	1.28	30,707
1170	Net value of accounts receivable	1,100	0.05	1,402	0.06	2200	Other payables	11,347	0.48	9,603
1210	Other receivables from related parties	1,240	0.05	6,671	0.29	2230	Current income tax liabilities	9,079	0.38	2,954
1300	Prepayments	347	0.01	265	0.01	2399	Other current liabilities - other	1,457	0.06	1,198
1410	Other current financial assets	320	0.01	317	0.02		Total current liabilities	53,114	2.23	45,078
1476	Other current assets-others	532	0.02	311	0.01	25XX	Non-current liabilities			
1479	Total current assets	395,648	16.59	335,983	14.57	2572	Deferred tax liabilities, income t	166,544	6.98	173,687
						2645	Guarantee deposits received	369	0.02	180
						2XXX	Total non-current liabilities	166,913	7.00	173,867
							Total liabilities	220,027	9.23	218,945
15XX	Non-current assets						Share capital			
1517	Non-current financial assets at fair value through other comprehensive income	23,319	0.98	19,402	0.84	3100	Common share capital	1,498,675	62.83	1,498,675
1550	Investment accounted for under the equity metho	1,905,951	79.91	1,872,864	81.19	3110	Capital surplus	15,002	0.63	15,002
1600	Property, plant and equipment	21,990	0.92	22,430	0.97	3200	Capital surplus, additional paid-in capital	33,529	1.41	33,529
1760	Investment property, net	24,029	1.01	24,271	1.05	3220	Capital surplus, treasury share transactions	6,060	0.25	6,060
1801	Computer software, net	80	-	140	0.01	3271	Retained earnings	411,916	17.27	411,916
1840	Deferred tax assets	13,871	0.58	31,366	1.36	3310	Statutory reserves	110,566	4.64	97,040
1920	Refundable deposits	210	0.01	210	0.01	3320	Special reserves	136,430	5.72	136,065
	Total non-current assets	1,989,450	83.41	1,970,683	85.43	3350	undistributed earnings	(47,107)	(1.98)	(110,566)
1XXX	Total assets	\$ 2,385,098	100.00	\$ 2,306,666	100.00	3400	Other equity	2,165,071	90.77	2,087,721
						3XXX	Total liabilities and equity	\$ 2,385,098	100.00	\$ 2,306,666

The accompanying notes are an integral part of the financial statements.

Plastron Precision Co., Ltd.  
Parent Company Only Statement of Comprehensive Income  
January 1 to December 31, 2022 and 2021

Unit: NT\$ thousand (earnings per share in NT\$)

Code	Accounting item	Notes	2022		2021	
			Amount	%	Amount	%
4100	Net sales	4, 6(18) and 7	\$ 175,832	100.00	\$ 198,667	100.00
5110	Cost of sales		154,940	88.12	158,248	79.66
5900	Gross profit		20,892	11.88	40,419	20.34
5910	Unrealized gain on sales		-	-	(103)	(0.05)
5920	Realized gain on sales		42	0.02	-	-
5950	Gross profit		20,934	11.90	40,316	20.29
6000	Operating expenses		40,562	23.06	35,531	17.88
6100	Selling expenses		11,677	6.64	10,360	5.21
6200	Administrative expenses		28,282	16.08	25,384	12.78
6300	R&D expenses		324	0.18	316	0.16
6450	Expected credit losses (gains)		279	0.16	(529)	(0.27)
6900	Net operating income (loss)		(19,628)	(11.16)	4,785	2.41
7000	Non-operating income and expenses					
7100	Interest revenue	4 and 6(19)	6,263	3.56	3,949	1.99
7010	Other income	4 and 6(20) and 7	9,096	5.17	5,016	2.52
7020	Other gains and losses	4 and 6(21)	5,586	3.18	(11,982)	(6.03)
7375	Share of profits and losses of subsidiaries , associates and joint ventures accounted for under the equity method	4 and 6(8)	56,939	32.38	(129,184)	(65.03)
	Total non-operating income and expenses		77,884	44.29	(132,201)	(66.55)
7900	Profit (loss) before tax		58,256	33.13	(127,416)	(64.14)
7950	Tax expense (income)	4 and 6(14)	14,391	8.18	(27,488)	(13.84)
8200	Profit (loss)		43,865	24.95	(99,928)	(50.30)
8300	Other comprehensive profit and loss (net)					
8310	Items not reclassified subsequently to profit or loss					
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	4 and 6(7)	3,917	2.23	3,787	1.91
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		-	-	-	-
	Total other comprehensive income that will not be reclassified to profit or loss		3,917	2.23	3,787	1.91
8360	Items that may be reclassified subsequently to profit or loss					
8381	Translation differences on the financial of subsidiaries, associates and foreign joint ventures accounted for under the equity		74,427	42.33	(21,641)	(10.90)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	4 and 6(14)	14,885	8.47	(4,328)	(2.18)
	Components of other comprehensive income that will be reclassified to profit or loss,		59,542	33.86	(17,313)	(8.72)
	Other comprehensive income (net)		63,459	36.09	(13,526)	(6.81)
8500	Total comprehensive income		\$ 107,324	61.04	\$ (113,454)	(57.11)
9750	Basic earnings per share (NT\$)	4 and 6(16)	\$ 0.29		\$ (0.67)	
9850	Diluted earnings per share	4 and 6(16)	\$ 0.29		\$ (0.67)	

The accompanying notes are an integral part of the financial statements.



Plastron Precision Co., Ltd.  
Parent Company Only Statement of Changes in Equity  
January 1 to December 31, 2022 and 2021

Other comprehensive income (loss), net of income tax

Unit: NT\$ thousand

	Capital surplus			Retained earnings			Other items of equity			Total equity	
	Share capital	Additional paid-in capital	Treasury stock transactions	Employee stock options	Statutory reserves	Special reserves	undistributed earnings	Exchange differences on translation of the financial statements of foreign operations	Unrealized financial assets profit or loss measured at fair value through other comprehensive income		Total other equity
Balance on January 1, 2021	\$ 1,498,675	\$ 15,002	\$ 33,529	\$ 6,060	\$ 411,916	\$ 97,018	\$ 265,989	\$ (97,040)	\$ -	\$ (97,040)	\$ 2,231,149
2020 appropriation and distribution of retained earnings:											
Special reserve appropriated	-	-	-	-	-	22	(22)	-	-	-	-
Common share cash dividend	-	-	-	-	-	-	(29,974)	-	-	-	(29,974)
2021 net loss	-	-	-	-	-	-	(99,928)	-	-	-	(99,928)
Other comprehensive income (loss) in 2021	-	-	-	-	-	-	-	(17,313)	3,787	(13,526)	(13,526)
Total comprehensive income of 2021	-	-	-	-	-	-	(99,928)	(17,313)	3,787	(13,526)	(113,454)
Balance on December 31, 2021	1,498,675	15,002	33,529	6,060	411,916	97,040	136,065	(114,353)	3,787	(110,566)	2,087,721
2021 appropriation and distribution of retained earnings:											
Special reserve appropriated	-	-	-	-	-	13,526	(13,526)	-	-	-	-
Common share cash dividend	-	-	-	-	-	-	(29,974)	-	-	-	(29,974)
2022 profit	-	-	-	-	-	-	43,865	-	-	-	43,865
Other comprehensive income (loss) in 2022	-	-	-	-	-	-	-	59,542	3,917	63,459	63,459
Total comprehensive income (loss) in 2022	-	-	-	-	-	-	43,865	59,542	3,917	63,459	107,324
Balance on December 31, 2022	\$ 1,498,675	\$ 15,002	\$ 33,529	\$ 6,060	\$ 411,916	\$ 110,566	\$ 136,430	\$ (54,811)	\$ 7,704	\$ (47,107)	\$ 2,165,071

The accompanying notes are an integral part of the financial statements.

Plastron Precision Co., Ltd.  
Parent Company Only Statement of Cash Flow  
January 1 to December 31, 2022 and 2021

	2022	Unit: NT\$ Thousand 2021
Cash flows from operating activities:		
Profit (loss) before tax	\$ 58,256	\$ (127,416)
Adjustments		
Income/expenses items		
depreciation expense	744	745
Amortization cost	60	71
Expected credit losses(gain)	279	(529)
Interest revenue	(6,263)	(3,949)
Share of profits and losses of subsidiaries, associates and joint ventures accounted for under the equity method	(56,939)	129,184
Realized gain on sales	(42)	-
Unrealized gain on sales	-	103
Changes in assets/debts having to do with business activities		
Decrease (increase) in financial assets at fair value through profit or loss measured at fair value	(38,692)	17,479
Increase in notes receivable	(1,957)	(1,769)
Decrease (increase) in accounts receivable	(3,243)	33,264
Decrease in Other receivables from related parties	302	129
Decrease (Increase) in inventories	5,431	(3,436)
Increase in prepayments	(82)	(3)
Increase in other current financial assets-Current asset	(3)	(2)
Decrease (increase) in other current assets	57	(64)
Increase (decrease) in notes receivable	29	(30)
Increase (decrease) in accounts payable	33	(135)
Decrease in Payables to related parties	(154)	(4,939)
Increase in other payables	1,744	613
Increase (decrease) in other current assets	259	(213)
Cash inflow (outflow) generated from operations	(40,181)	39,103
Interest received	5,985	3,934
Income tax paid	(12,799)	(10,880)
Net cash flows from (used in) operating activities	(46,995)	32,157
Cash flows from (used in) investing activities		
Acquisition of financial assets at amortized cost	(126,183)	(117,685)
Proceeds from repayments of financial assets at amortized cost	117,685	163,040
Acquisition of property, plant and equipment	(62)	(799)
Disposal of property, plant and equipment	-	50
Acquisition of intangible assets	-	(180)
Dividends received	98,321	16,553
Net cash outflow from investing activities	89,761	60,979
Cash flows from (used in) financing activities		
Increase in guarantee deposits received	189	-
Cash dividends paid	(29,974)	(29,974)
Cash outflows from financing activities	(29,785)	(29,974)
Net increase in cash and cash equivalents	12,981	63,162
Cash and cash equivalents at beginning of period	150,236	87,074
Cash and cash equivalents at end of period	\$ 163,217	\$ 150,236

The accompanying notes are an integral part of the financial statements.

(Attachment 7)

## Independent Auditors' Report

To Plastron Precision Co., Ltd.

### **Audit opinion**

We have duly audited the consolidated financial statements of Plastron Precision Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated comprehensive income statement, consolidated statement of changes in equity and consolidated cash flow statement from January 1 to December 31, 2022 and 2021, and the notes to the consolidated financial statements (including a summary of significant accounting policies).

In our opinion, the consolidated financial statements above present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and consolidated cash flows from January 1 to December 31, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), interpretations and interpretation announcements recognized and published by the Financial Supervisory Commission.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulation Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. The auditors of the firm, subject to the independence regulations, have maintained independence from the Group in accordance with the Code of Ethics, and perform other obligations of such Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the Group for the year 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We judge that the key audit matters to be communicated in the audit report are as follows:

#### I. Recognition and closing of sales revenue

Please refer to note 4(15) to the consolidated financial statements for the accounting policies for revenue recognition; please refer to note 5(1) to the consolidated financial statements for the accounting estimate and assumption uncertainties of revenue recognition; please refer to note 6(18) to the consolidated financial statements for details

on income recognition.

1. Description of key audit matters:

The sales mode of Plastron Group is mainly that the factory in charge of production and manufacturing directly delivers goods to customers according to the agreed trade terms, and the revenue is recognized when the performance obligations are met. However, the time point for revenue recognition may be inappropriate because the goods have not been actually delivered or the transaction terms of individual sales contracts are different, which may lead to that the ownership of inventory and loss risk have not been transferred, Therefore, we believe that the cut-off and recognition of sales revenue are areas of high concern in the audit.

2. Our main audit procedures for the key audit items above include:

- (1) Ask the management for the understanding and review of the recognition procedures of sales revenue, and adopt them consistently during the comparison period of financial statements.
- (2) Understand and test the effectiveness of the design and implementation of internal control over sales revenue.
- (3) Select a period before and after the financial reporting to check various vouchers to ensure that the time for sales, sales returns and sales allowances have been properly ended.
- (4) Check the factory's shipping documents and sales orders to confirm the correctness of transaction conditions and revenue recognition time points.

II. Inventory evaluation

Please refer to note 4(8) to the consolidated financial statements for the accounting policies for inventory; please refer to note 5(2) to the consolidated financial statements for the accounting estimate and assumption uncertainties of revenue recognition; please refer to note 6(5) to the consolidated financial statements for details of inventory recognition.

1. Description of key audit matters:

The inventory value may be subject to the fluctuation of market demand, resulting in the loss of dead or obsolete stock. When the inventory is obsolete or the selling price drops, the inventory cost may not be recovered. Since the identification of the possibility of impairment involves the subjective judgment of the management, we believe that the reasonableness of the inventory depreciation loss assessment is an area of great concern in the audit.

2. Our main audit procedures for the key audit items above include:

- (1) Ask the management for the understanding and review of the recognition procedures of sales revenue, and adopt them consistently during the comparison period of financial statements.
- (2) Compare and analyze the difference between the provision of allowance for

inventory falling price loss in previous years and the actual scrapping or offsetting, and assess the reasonableness of the provision policy for allowance of inventory falling price loss.

- (3) Verify the appropriateness of the inventory aging report's system logic used by the management for evaluation, so as to confirm that obsolete inventory items exceeding a certain inventory age have been included in the report.
- (4) Evaluate the reasonableness of obsolete or damaged inventory items individually identified by the management and check with relevant supporting documents.
- (5) Check the latest sales or purchase price of the inventory at the end of the period to confirm that the inventory has been evaluated according to the lower of cost and net realizable value.

#### **Other Matters - Individual Financial Report**

Plastron Precision Co., Ltd. has prepared the individual financial statements for 2022 and 2021, to which we have issued independent auditor's reports with unqualified opinion for reference.

#### **Responsibilities of Management Level and the Governance Unit for the Consolidated Financial Statements**

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by the Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), interpretations and interpretation announcements recognized and published by the Financial Supervisory Commission, and maintains the necessary internal control related to the preparation of the consolidated financial statements to ensure that the consolidated financial statements are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the responsibilities of the management also include assessing the Plastron Group's ability to continue as a going concern, disclosing relevant matters, and adoption of accounting basis for continuing operations, unless the management intends to liquidate Plastron Group or suspend its business, or there is no practical plan other than liquidation or suspension.

The governance unit (including supervisors) of Plastron Group is responsible for supervising the financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

The purpose of our audit is to obtain reasonable assurance about whether the consolidated financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue a report thereon. The term of "reasonable assurance" refers to high level of assurance. Nevertheless, the audit performed according to the standards on Auditing of the Republic of China cannot guarantee the discovery of

material misstatement in the financial statements. Misstatements can arise from fraud or error. Individual amounts or aggregates that are not true are considered material if they could reasonably be expected to affect the economic decisions made by users of the consolidated financial statements.

As part of an audit in accordance with the standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements arising from fraud or error; design and implement appropriate responses to the risks assessed; and obtain sufficient and appropriate evidence to provide a basis for the audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of the internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Plastron Group and its subsidiaries' internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
4. Based on the evidence obtained, we have made a conclusion on the appropriateness of management's adoption of the going concern basis of accounting and whether there is any material uncertainty about the events or circumstances that may cast significant doubt on the ability of Plastron Group and its subsidiaries to continue as a going concern. If we believe that there is a material uncertainty about such events or conditions, we should draw the attention of users of the consolidated financial statements to the relevant disclosures in the audit report or revise our audit opinion if such disclosures are inappropriate. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or circumstances may cause Plastron Group and its subsidiaries to cease to have the ability to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including the related notes), and whether the consolidated financial statements present fairly the related transactions and events.
6. Obtain sufficient and appropriate audit evidence for the financial information of individual entities of the Group, and provide an opinion on the consolidated financial statements. We are responsible for the direction, supervision and execution of the Group's audits, and for forming an opinion on the Group's audits.

Our communication with the governance unit covered the scope and timing of the planned audit and significant audit findings (including significant deficiencies in internal control identified during the audit).

We also provided the governance unit with a statement that the independence-regulated personnel of the firm to which we are affiliated have complied with the Code of Ethics for Accountants with respect to independence, and communicated with the governance unit about all relationships and other matters (including related safeguards) that may be considered to affect the accountant's independence.

From the matters communicated with the governance unit, we decided on the key audit items for the audit of the annual consolidated financial statements of Plastron Group and its subsidiaries for 2022. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PKF Taiwan

Chang, Jung-Chih      Certified Public Accountant

Lee, Tsung-Ming      Certified Public Accountant

Certification approvals of the Securities and Futures Bureau,  
FSC (the former SFC, MOF):

letter referenced Jin-Guan-Cheng-Shen No. 1030006182 and  
letter referenced (90) Tai-Tsai-Cheng(VI) No. 145560

February 23, 2023

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

Plastron Precision Co., Ltd. and Subsidiaries  
Consolidated balance sheet  
December 31, 2022 and 2021

Code	Asset	Notes	December 31, 2022		December 31, 2021		Code	Liabilities and Equity		Notes	December 31, 2022		December 31, 2021	
			Amount	%	Amount	%		Amount	%		Amount	%	Amount	%
11XX	Current asset						21XX	Current liabilities						
1100	Cash and cash equivalents	4 and 6(1)	\$ 587,644	22.82	\$ 375,437	14.79	2150	Notes payable			\$ 57	-	\$ 28	-
1110	Current financial assets at fair value through profit or loss	4 and 6(2)	124,927	4.85	70,414	2.77	2170	Accounts payable			41,530	1.61	45,055	1.78
1136	Current financial assets at amortized cost	4 and 6(3)	566,208	21.99	690,081	27.19	2200	Other payables	6(12)		55,933	2.17	69,568	2.74
1150	Net value of notes receivable	4 and 6(4)	5,648	0.22	3,691	0.15	2230	Current income tax liabilities	4 and 6(14)		10,456	0.42	13,820	0.54
1170	Net value of accounts receivable	4, 6(4) and 7	210,260	8.17	167,117	6.60	2280	Current lease liabilities	4 and 6(9)		112	0.01	449	0.02
1310	Net sale	4 and 6(5)	126,513	4.91	119,351	4.70	2399	Other current liabilities - other			11,661	0.45	5,611	0.22
1410	Prepayments		2,322	0.09	70,306	2.77		Total current liabilities			119,749	4.66	134,531	5.30
1476	Other current financial assets	4, 6(6) and 8	4,412	0.17	317	0.01		Non-current liabilities						
1479	Other current assets-others		1,628,254	63.23	1,498,014	59.03	25XX	Deferred tax liabilities, income tax	4 and 6(14)		166,544	6.47	173,687	6.84
	Total current assets						2572	Non-current lease liabilities	4 and 6(9)		85	-	-	-
							2580	Long-term deferred revenue	4		6,027	0.23	6,823	0.27
							2630	Guarantee deposits received			369	0.01	180	0.01
							2645	Other non-current liabilities - other	4		117,198	4.55	134,744	5.31
							2670	Total non-current liabilities			290,223	11.26	315,434	12.43
							2XXX	Total liabilities			409,972	15.92	449,965	17.73
15XX	Non-current assets						31XX	Equity attributable to owners of parent	4, 6(14) and 6(15)					
1517	Non-current financial assets at fair value through other comprehensive income						3100	Share capital			1,498,675	58.20	1,498,675	59.06
1600	Property, plant and equipment	4 and 6(7)	23,319	0.91	19,402	0.76	3110	Common share capital						
1755	Right-of-use asset	4, 6(8) and 8	806,893	31.34	912,429	35.96	3200	Capital surplus			15,002	0.58	15,002	0.59
1760	Investment property, net	4 and 6(9)	33,358	1.30	40,691	1.60	3220	transactions			33,529	1.32	33,529	1.32
1801	Computer software, net	4, 6(10) and 8	64,344	2.50	24,271	0.96	3271	options			6,060	0.24	6,060	0.24
1840	Deferred tax assets	4 and 6(11)	2,695	0.10	2,533	0.10	3300	Retained earnings						
1840	Deferred tax assets	4 and 6(14)	14,144	0.55	31,657	1.25	3310	Statutory reserves			411,916	16.00	411,916	16.23
1915	Prepayments for business facilities		1,387	0.05	8,056	0.32	3320	Special reserves			110,566	4.29	97,040	3.83
1920	Refundable deposits		277	0.01	362	0.01	3350	undistributed earnings			136,430	5.30	136,065	5.36
1990	Other non-current assets-others		372	0.01	271	0.01	3400	Other equity			(47,107)	(1.83)	(110,566)	(4.36)
	Total non-current assets		946,789	36.77	1,039,672	40.97	3XXX	Total equity			2,165,071	84.08	2,087,721	82.27
1XXX	Total assets		2,575,043	100.00	2,537,686	100.00	1XXX	Total liabilities and equity			2,575,043	100.00	2,537,686	100.00

The accompanying notes are an integral part of the consolidated financial statements.



Plastron Precision Co., Ltd. and Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1 to December 31, 2022 and 2021

Unit: NT\$ thousand (earnings per share in NT\$)

Code	Accounting item	Notes	2022		2021	
			Amount	%	Amount	%
4100	Net sales	4, 6(18) and 7	\$ 589,576	100.00	\$ 525,506	100.00
5110	Cost of sales		392,018	66.49	411,539	78.31
5900	Gross profit		197,558	33.51	113,967	21.69
6000	Operating expenses		214,593	36.40	231,094	43.98
6100	Selling expenses		37,919	6.43	30,586	5.82
6200	Administrative expenses		99,731	16.92	129,176	24.58
6300	R&D expenses		76,078	12.90	71,175	13.55
6450	Expected credit losses (gains)		865	0.15	157	0.03
6900	Net operating income (loss)		(17,035)	(2.89)	(117,127)	(22.29)
7000	Non-operating income and expenses					
7100	Interest revenue	4 and 6(19)	24,993	4.24	14,349	2.73
7010	Other income	4 and 6(20)	35,411	6.01	18,588	3.54
7020	Other gains and losses	4 and 6(21)	5,140	0.87	(15,562)	(2.96)
7050	Finance costs	4 and 6(22)	(11)	-	(121)	(0.02)
	Total non-operating income and expenses		65,533	11.12	17,254	3.29
7900	Profit (loss) before tax		48,498	8.23	(99,873)	(19.00)
7950	Tax expense (income)	4 and 6(14)	4,633	0.79	55	0.01
8200	Profit (loss)		43,865	7.44	(99,928)	(19.01)
8300	Other comprehensive profit and loss (net)					
8310	Items not reclassified subsequently to profit or loss					
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		3,917	0.66	3,787	0.72
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss		-	-	-	-
	Total other comprehensive income that will not be reclassified to profit or loss		3,917	0.66	3,787	0.72
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of the financial statements of foreign operations		74,427	12.62	(21,641)	(4.12)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	4 and 6(14)	14,885	2.52	(4,328)	(0.82)
	Components of other comprehensive income that will be reclassified to profit or loss, net of tax		59,542	10.10	(17,313)	(3.30)
	Other comprehensive income (net)		63,459	10.76	(13,526)	(2.58)
8500	Total comprehensive income		\$ 107,324	18.20	\$ (113,454)	(21.59)
8600	Profit (loss), attributable to:					
8610	Owners of parent		\$ 43,865		\$ (99,928)	
8620	Non-controlling interests		-		-	
			\$ 43,865		\$ (99,928)	
8700	Total comprehensive income attributable to:					
8710	Owners of parent		\$ 107,324		\$ (113,454)	
8720	Non-controlling interests		-		-	
			\$ 107,324		\$ (113,454)	
9750	Basic earnings per share (NT\$)	4 and 6(16)	\$ 0.29		\$ (0.67)	
9850	Diluted earnings per share		\$ 0.29		\$ (0.67)	

The accompanying notes are an integral part of the consolidated financial statements.

Plastron Precision Co., Ltd. and Subsidiaries  
Consolidated Statement of Changes in Equity  
January 1 to December 31, 2022 and 2021

Unit: NT\$ thousand

	Capital surplus				Retained earnings			Other items of equity			Total equity
	Share capital	Additional paid-in capital	Treasury stock transactions	Employee stock options	Statutory reserves	Special reserves	undistributed earnings	Exchange differences on translation of the financial statements of foreign operations	Unrealized financial assets profit or loss measured at fair value through other comprehensive income	Total other equity	
Balance on January 1, 2021	\$ 1,498,675	\$ 15,002	\$ 33,529	\$ 6,060	\$ 411,916	\$ 97,018	\$ 265,989	\$ (97,040)	\$ -	\$ (97,040)	\$ 2,231,149
2020 appropriation and distribution of retained earnings:											
Special reserve appropriated	-	-	-	-	-	22	(22)	-	-	-	-
Common share cash dividend	-	-	-	-	-	-	(29,974)	-	-	-	(29,974)
2021 net loss	-	-	-	-	-	-	(99,928)	-	-	-	(99,928)
Other comprehensive income (loss) in 2021	-	-	-	-	-	-	-	(17,313)	3,787	(13,526)	(13,526)
Total comprehensive income of 2021	-	-	-	-	-	-	(99,928)	(17,313)	3,787	(13,526)	(113,454)
Balance on December 31, 2021	1,498,675	15,002	33,529	6,060	411,916	97,040	136,065	(114,353)	3,787	(110,566)	2,087,721
2021 appropriation and Special reserve	-	-	-	-	-	13,526	(13,526)	-	-	-	-
Common share cash	-	-	-	-	-	-	(29,974)	-	-	-	(29,974)
2022 profit	-	-	-	-	-	-	43,865	-	-	-	43,865
Other comprehensive income	-	-	-	-	-	-	-	59,542	3,917	63,459	63,459
Total comprehensive income	-	-	-	-	-	-	43,865	59,542	3,917	63,459	107,324
Balance on December 31, 2022	\$ 1,498,675	\$ 15,002	\$ 33,529	\$ 6,060	\$ 411,916	\$ 110,566	\$ 136,430	\$ (54,811)	\$ 7,704	\$ (47,107)	\$ 2,165,071

The accompanying notes are an integral part of the consolidated financial statements.

Plastron Precision Co., Ltd. and Subsidiaries  
Consolidated Statement of Cash Flow  
January 1 to December 31, 2022 and 2021

	2022	Unit: NT\$ Thousand 2021
Cash flows from operating activities:		
Profit (loss) before tax	\$ 48,498	\$ (99,873)
Adjustments		
Income/expenses items		
depreciation expense	112,144	108,805
Amortization cost	663	455
Expected credit losses	865	157
Interest expenses	11	121
Interest revenue	(24,993)	(14,349)
Gains on disposal of property, plant and equipment	(297)	(193)
Other items - deferred government subsidy income realized	(906)	(2,029)
Other item - profit from lease modification	(2)	(753)
Changes in assets/debts having to do with business activities		
Decrease (increase) in financial assets at fair value through profit or loss measured at fair value	(54,513)	9,852
Increase in notes receivable	(1,957)	(1,769)
Decrease (increase) in accounts receivable	(44,032)	4,869
Increase in inventories	(5,501)	(27,748)
Decrease in prepayments	63,062	19,515
Decrease (increase) in other current assets	(21)	6,813
Increase in other current financial assets	(3)	(2)
Increase (decrease) in notes receivable	29	(30)
Increase (decrease) in accounts payable	(3,525)	89
Decrease in other payables	(13,635)	(8,002)
Increase (decrease) in other current liabilities	6,050	(2,517)
Increase (decrease) in other non-current liabilities	(17,546)	3,788
Cash inflow (outflow) generated from operations	64,391	(2,801)
Interest received	21,975	15,369
Income tax paid	(12,716)	(4,030)
Net cash flows from (used in) operating activities	73,650	8,538
Cash flows from (used in) investing activities		
Acquisition of financial assets at amortized cost	(566,208)	(690,081)
Proceeds from repayments of financial assets at amortized	690,081	730,661
Obtaining government subsidies	-	8,858
Acquisition of property, plant and equipment	(12,088)	(53,206)
Disposal of property, plant and equipment	971	1,433
Decrease in refundable deposits	85	4,964
Increase in other non-current assets	(100)	(271)
Increase in intangible assets	(788)	(1,260)
Increase in prepaid equipment amount	(1,310)	(7,965)
Net cash inflow (outflow) from investing activities	110,643	(6,867)
Cash flows from (used in) financing activities		
Increase in guarantee deposits received	189	-
Cash dividends paid	(29,974)	(29,974)
Payments of lease liabilities	(426)	(4,865)
Cash outflows from financing activities	(30,211)	(34,839)
Effect of exchange rate changes on cash and cash equivalents	58,125	(15,372)
Net increase (decrease) in cash and cash equivalents	212,207	(48,540)
Cash and cash equivalents at beginning of period	375,437	423,977
Cash and cash equivalents at end of period	\$ 587,644	\$ 375,437

The accompanying notes are an integral part of the consolidated financial statements.

**(Attachment 8)**

Plastron Precision Co., Ltd.  
Profit Distribution Table  
Year 2022

Unit: NT \$

Item	Amount	Remark
Net Income of 2022	43,864,709	
Less : Setting aside 10% legal reserve	(4,386,471)	(Note 1)
Add : Special surplus reserve reversal	63,459,249	(Note 2)
Earnings in 2022 available for distribution	102,937,487	
Add : Unappropriated retained earnings at the beginning of period	92,564,868	
Retained earnings available for distribution as of December 31, 2022	195,502,355	
Less : Distribution items		(Note 3)
Cash dividend to shareholders (NT\$0.3 per share)	(44,960,259)	
Unappropriated retained earnings	150,542,096	

Remark :

Note 1: NT\$43,864,709 \* 10% = NT\$4,386,471.

Note 2: Financial statements translation earn of foreign operations institutions in 2022 is NT\$59,541,824, and unrealized gains on financial assets at fair value through other comprehensive income is NT\$3,917,425, resulting in the shareholders' equity-other equity generate net increase NT\$63,459,249, and special surplus reserve reversal.

Note 3: In profit distribution for the current year, priority will be given to profit available for distribution for 2022.

Chairman:

Manager:

Chief Accounting Officer:

(Attachment 9)

**Table of Amendments to the “Rules of Procedures for Shareholders Meetings” of Plastron Precision Co., Ltd.**

After amendment		Before amendment		Description
Article 1	<u>Purpose</u> <u>To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.</u>			This article has been added for purpose.
Article 2	<u>The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.</u>	Article 1	<u>The shareholders' meeting of the Company, unless otherwise specified by laws, shall be subject to these Rules.</u>	The text has been slightly revised.
Article 3	<u>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.</u> <u>Changes to how the Company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.</u> <u>The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting.</u> <u>The Company shall prepare electronic versions of the</u>			This article has been added to accommodate Articles of Incorporation and “Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies”.

After amendment	Before amendment	Description
<p><u>shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the Company 's professional shareholder services agent designated thereby. This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</u></p> <p><u>1.For physical shareholders meetings, to be distributed on-site at the meeting.</u></p> <p><u>2.For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p><u>3.For virtual only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u></p> <p><u>The reasons for convening shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</u></p> <p><u>Election or dismissal of directors,</u></p>		

After amendment	Before amendment	Description
<p><u>amendments to the articles of incorporation, capital reduction, application for cessation of public offering, release of directors from non-competition restrictions, capital increase from earnings, capital increase from surplus, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, any matter under Article 26-1 and Article 43-6 of the Securities and Exchange Act, or any matter under Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out in the notice of the reasons for convening the shareholders meeting and explain its main content. None of the above matters may be raised by an extraordinary motion. If the reasons for convening the general meeting of shareholders have specified that the Company will wholly re-elect directors and the date of appointment. When the re-election of the directors is completed in the aforementioned shareholders' meeting, the appointment date shall not be changed at the same meeting by raising a provisional motion or any other methods.</u></p> <p><u>A shareholder holding 1 percent or more of the total number of issued shares may submit to this Company for discussion at a regular shareholders meeting, more than one proposal will not be included in the proposals for discussion. If the proposal proposed by the shareholder is under the circumstances in paragraph 4 of Article 172-1 of the Company Law, the board of</u></p>		

After amendment	Before amendment	Description
<p><u>directors can exclude the proposal for discussion. Directors may raise a proposal to urge the Company to promote public interest or fulfill social responsibilities, the procedure of which shall be conducted in accordance with relevant regulations of Article 172-1 under the Company Act stipulating that directors may only raise one proposal; proposals beyond the first one will not be included in the proposals for discussion. The company should notify the shareholders the acceptance of shareholders' proposals, acceptance methods (written or electronic), acceptance premises, and acceptance period before the shareholders' book closing date of the regular shareholders' meeting; The period of acceptance shall not be less than ten days.</u></p> <p><u>Proposals proposed by shareholders are limited to three hundred words, and those exceeding three hundred words shall not be included in the proposal; the shareholders of the proposal shall personally or entrust others to attend the general meeting of shareholders and participate in the discussion of the proposal.</u></p> <p><u>The company should notify the shareholders for the processing results before the notice date of the shareholders' meeting, and list the proposals that are conformity with the rules in the meeting notice. For the shareholders' proposals that are not included in the proposal, the board of directors shall explain the reasons for the non-listing at the shareholders' meeting.</u></p>		



After amendment		Before amendment		Description
Article 4	<p>For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail, <u>unless a declaration is made to cancel the previous proxy appointment.</u> Once a proxy form is received by the Company, if a shareholder wishes to attend the shareholders' meeting in person or to exercise their voting rights in writing or by electronic means, a written proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</p> <p><u>If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	Article 2	<p>For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail, <u>unless an explicit statement to revoke the previous written proxy is made in the proxy 5 days prior to the date of shareholders' meeting.</u> Once a proxy form is received by the Company, if a shareholder wishes to attend the shareholders' meeting in person or to exercise their voting rights in writing or by electronic means, a written proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.</p>	<p>1. The text in Paragraph 2 of the original Article 2 has been slightly revised and moved to Paragraph 1 and Paragraph 2 of the Article 4.</p> <p>2. Paragraphs 3 have been added to accommodate shareholder's meetings held by means of visual communication network.</p>
Article 5	<p><u>Principles determining the time and place of a shareholders meeting</u></p> <p>The meeting shall be held at the head office of the Company or at any other appropriate place that</p>	Article 4	<p>The meeting shall be held at the head office of the Company or at any other appropriate place that</p>	<p>1. The title have been added.</p> <p>2. The original Article 4 has</p>

	After amendment		Before amendment	Description
	<p>is convenient for the shareholders to attend. <u>The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</u></p> <p><u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.</u></p>		<p>is convenient for the shareholders to attend. <u>The time to start the meeting is 9:00 a.m. to 3:00 p.m.</u></p>	<p>been slightly revised and moved to Paragraph 1 of this Article.</p> <p>3. Paragraphs 2 have been added to accommodate shareholder s’ meetings held by means of visual communication network.</p>
Article 6	<p><u>Principles determining the time and place of a shareholders meeting</u></p> <p><u>The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.</u></p> <p><u>The aforementioned time for signing in shall be at least 30 minutes before the shareholder meeting starts. There shall be signs to direct shareholders to proceed to the venue for signing in and personnel who are suitable in charge. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</u></p>			<p>1.The title have been added.</p> <p>2.Paragraphs 1-3 and Paragraphs 5-6 of this Article have been added to accommodate the “Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.” (hereinafter referred to as “Rules of Procedure for Shareholder</p>



	After amendment	Before amendment	Description
	<u>before the meeting starts, and keep this information disclosed until the end of the meeting.</u>		
Article 6-1	<u>Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice</u> <u>To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:</u> <u>1.How shareholders attend the virtual meeting and exercise their rights.</u> <u>2.Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u> <u>A.To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u> <u>B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u> <u>C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then</u>		This article has been added to accommodate “Rules of Procedure for Shareholders Meetings”.

	After amendment	Before amendment	Description
	<p><u>the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p><u>3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</u></p>		
Article 7	<p><u>The chair and non-voting participants of a shareholders meeting</u></p> <p>The Company's shareholders' meetings shall be convened by the Board of Directors and the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairman shall appoint one director to act as chair pursuant to Paragraph 3 Article 208 of the Company Act. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.</p>	<p>Article 7</p> <p>The Company's shareholders' meetings shall be convened by the Board of Directors and the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairman shall appoint one director to act as chair pursuant to Paragraph 3 Article 208 of the Company Act. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.</p>	<p>1.The title have been added.</p> <p>2.The original Paragraph 1 of Article 5 has been moved to Paragraph 1 of this Article.</p> <p>3.Paragraph 2-3 has been added to accommodate "Rules of Procedure</p>

After amendment	Before amendment	Description
<p><u>The board of director who serve as chair shall be in his post for more than six months and familiar with the Company's financials and operations. The same applies to the director who serve as chair and who represents a corporation.</u>  <u>It is advisable that shareholders meetings convened by the board of directors be chaired by the Chairman and be attended by a majority of the directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.</u>            If a shareholders meeting is convened by a party with the power to convene but other than the Board of Directors, the convening party shall chair the meeting. <u>When there are two or more such convening parties, they shall mutually select a chair from among themselves.</u>            The Company may appoint the retained attorney(s), certified public accountant(s) or relevant personnel to participate in a shareholders' meeting.</p>	<p>Article 5            If a shareholder meeting is convened by a party with the power to convene but other than the Board of Directors, the convening party shall chair the meeting. <u>Where the convener is absent, the chair may be elected by the shareholders at the shareholders' meeting.</u></p> <p>Article 6            The Company may appoint the retained attorney(s), certified public accountant(s) or relevant personnel to participate in a shareholders' meeting.</p>	<p>for Shareholders Meetings".</p> <p>4.The original Paragraph 2 of Article 5 has been slightly revised and moved to Paragraph 4 of this Article.</p> <p>5.The original Article 6 has been slightly revised and moved to Paragraph 5 of this Article.</p>
<p>Article 8  <u>Documentation of a shareholders meeting by audio or video</u>  <u>The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of shareholders' meeting, and the voting and vote counting procedures.</u>  <u>The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a</u></p>	<p>Article 7            The Company shall <u>record or video tape the entire process of shareholders' meeting. Audio or video records of any shareholders' meeting of the preceding paragraph shall be retained for at least one year.</u></p>	<p>1.The title have been added.</p> <p>2.The original Paragraph 1 of Article 7 has been slightly revised and moved to Paragraph 1-2 of this Article.</p>

	After amendment	Before amendment	Description
	<p><u>lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</u></p> <p><u>Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p> <p><u>In case of a virtual shareholders meeting, the Company is advised to audio and video record the back end operation interface of the virtual meeting platform.</u></p>		<p>3.Paragraph 3-5 has been added to accommodate “Rules of Procedure for Shareholders Meetings”.</p>
<p>Article 9</p>	<p>Attendance at shareholders’ meetings shall be calculated based on number of shares. The number of shares represented by participating shareholders shall be calculated based on the sign-in book or the submitted sign-in cards, and <u>the shares checked in on the virtual meeting platform,</u> added with the number of shares with voting rights that are exercised in writing or by electronic means.</p> <p>The chair shall call the meeting to order at the appointed meeting time <u>and also announce information regarding the number of shares without voting</u></p>	<p>Article 3</p> <p>Attendance <u>and voting</u> at shareholders’ meetings shall be calculated based on the number of shares. The number of shares represented by participating shareholders shall be calculated based on the sign-in book or the submitted sign-in cards, added with the number of shares with voting rights that are exercised in writing or by electronic means.</p> <p>Article 8</p> <p>The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total</p>	<p>1.The original Article 3 has been slightly revised and moved to Paragraph 1 of this Article, to accommodate “Rules of Procedure for Shareholders Meetings”.</p> <p>2. The original Paragraph 1</p>

After amendment	Before amendment	Description
<p><u>rights and the number of shares attending.</u> However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements <u>and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.</u> <u>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.</u> When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting</p>	<p>number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements, <u>but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 Article 175 of the Company Act.</u></p> <p>Article 8 When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting</p>	<p>of Article 8 has been slightly revised and moved to Paragraph 2 of this Article, to accommodate “Rules of Procedure for Shareholders Meetings”. Paragraph 3 has been added to accommodate “Rules of Procedure for Shareholders Meetings”.</p> <p>3.The original Paragraph 2 of Article 8 has been slightly revised and moved to Paragraph 4 of this Article.</p>



After amendment		Before amendment		Description
	pursuant to Article 174 of the Company Act.		pursuant to Article 174 of the Company Act.	
Article 10	<p>If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on the proposals on the agenda one by one (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution by the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall <u>promptly assist</u> the attending shareholders in <u>electing a new chair in accordance with statutory procedures</u>, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting. The chair shall allow ample opportunity <u>during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders</u>; when the chair deems that a proposal has been discussed</p>	Article 9	<p>If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on the proposals on the agenda one by one (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution by the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including motions), except by a resolution of the shareholders' meeting. <u>After close of the said meeting, shareholders shall not elect another chair to hold another meeting at the same place or at any other place.</u> If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall <u>select a new chair</u>, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.</p>	<p>1.The original Article 9 has been slightly revised and moved to this Article, to accommodate "Rules of Procedure for Shareholders Meetings".</p> <p>2.The original Article 14 has been slightly revised and moved to Paragraph 4 of this Article.</p>
		Article 14	When the chair deems that a proposal has been discussed	

After amendment		Before amendment		Description
	sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote <u>and arrange adequate voting time.</u>		sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.	
Article 11	<p><u>Shareholder speech</u></p> <p>Before speaking, an attending shareholder shall specify on a speaker's slip the subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech. Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The chair will have the violating shareholders stopped. When an institutional shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may</p>	<p>Article 10</p> <p>Before speaking, an attending shareholder shall specify on a speaker's slip the subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail.</p> <p>Article 11</p> <p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>Article 10</p> <p>Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The chair will have the violating shareholders stopped.</p> <p>Article 12</p> <p>When an institutional shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>Article 13</p> <p>After an attending shareholder has spoken, the chair may</p>	<p>1.The title have been added.</p> <p>2.The original Paragraph 1-2 of Article 10 has been moved to Paragraph 1-2 of this Article.</p> <p>3.The original Article 11 has been slightly revised and moved to Paragraph 3 of this Article.</p> <p>4.The original Paragraph 3 of Article 10 has been moved to Paragraph 4 of this Article.</p> <p>5.The original Paragraph 2 of Article 12 has been moved to Paragraph 5 of this Article.</p> <p>6.The original</p>	

	After amendment	Before amendment	Description
	<p>respond in person or direct relevant personnel to respond. <u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply. As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>	<p>respond in person or direct relevant personnel to respond.</p>	<p>Article 13 has been moved to Paragraph 6 of this Article.</p> <p>7.Paragraph 7-8 has been added to accommodate “Rules of Procedure for Shareholders Meetings”.</p>
Article 12	<p><u>Calculation of voting shares and recusal system</u>  voting at shareholders’ meetings shall be calculated based on the number of shares.  <u>With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.</u>  <u>When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.</u>  <u>The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated</u></p>	Article 3 <p><u>Attendance and voting at shareholders’ meetings shall be calculated based on the number of shares.</u></p>	<p>1.The title have been added.</p> <p>2.The original Paragraph 1 of Article 3 has been slightly revised and moved to Paragraph 1 of this Article.</p> <p>3.Paragraph 2-5 has been added to accommodate “Rules of Procedure for Shareholder</p>

	After amendment	Before amendment	Description
	<p><u>as part of the voting rights represented by attending shareholders.</u></p> <p><u>With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.</u></p>		s Meetings”.
Article 13	<p><u>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</u></p> <p><u>When the Company holds a shareholders meeting, it may allow the shareholders to adopt electronic means and may exercise its voting rights in writing. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder’s exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but also deemed as having waived his/her rights with respect to the extempore motions and amendments to original proposals at that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original</u></p>	Article 2 A shareholder’s exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but also deemed as having waived his/her rights with respect to the extempore motions and amendments to original proposals at that meeting.	<p>1.Paragraph 1 and Paragraph 3-4 has been added to accommodate “Rules of Procedure for Shareholders Meetings”.</p> <p>2.The original 2-3 sentence, Paragraph 1 of Article 2 has been moved to Paragraph 2 of this Article.</p> <p>3.The original Article 17 has been moved to Paragraph 5 of this</p>

After amendment	Before amendment	Description
<p><u>proposals.</u>  <u>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</u>  <u>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</u>  For the resolution of proposals, unless otherwise provided in the Company Act and the Articles of Incorporation, the consent of a majority vote of the attending</p>	<p>Article 17  For the resolution of proposals, unless otherwise provided in the Company Act and the Articles of Incorporation, the consent of a majority vote of the attending</p>	<p>Article.  4.The original Article 18 has been slightly revised and moved to Paragraph 6 of this Article.  5.The original Article 15 has been slightly revised and moved to Paragraph 7-8 of this Article.  6.Paragraph 9-12 has been added to accommodate “Rules of Procedure for Shareholders Meetings”.</p>

After amendment	Before amendment	Description
<p>shareholders shall prevail. During voting, <u>for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required.</p> <p>Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided all scrutineers be shareholders of the Company. <u>Vote counting shall be conducted in public at the place of the shareholders meeting, and voting results shall be reported on-site immediately and recorded in writing.</u></p> <p><u>When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</u></p> <p><u>In the event of a virtual</u></p>	<p>shareholders shall prevail. During voting, <u>if the chair solicits and receives no dissents, the motion is deemed passed, with equivalent force as a resolution by vote.</u></p> <p>Article 18 When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required.</p> <p>Article 15 Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided all scrutineers be shareholders of the Company. <u>The outcome of a vote at the Audit Committee meeting shall be reported on the spot and be recorded accordingly.</u></p>	

After amendment	Before amendment	Description
<p><u>shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
<p>Article 14 <u>The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately including the names of those elected as directors and their number of votes cast, and those unelected and their number of votes cast.</u></p> <p><u>The ballots for the election referred to in the preceding</u></p>		<p>This article has been added to accommodate “Rules of Procedure for Shareholders Meetings”.</p>

	After amendment	Before amendment	Description
	<p><u>paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p>		
Article 15	<p><u>Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes shall be produced and distributed electronically.</u></p> <p><u>The distribution of the proceedings in the preceding paragraph allows the company to enter the announcement to the MOPS.</u></p> <p><u>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and voting results (Including statistical weights), the number of votes for each candidate should be disclosed when electing directors and shall be retained for the duration of the existence of the Company.</u></p> <p><u>Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the</u></p>		<p>This article has been added to accommodate for virtual shareholders meetings and “Rules of Procedure for Shareholders Meetings”.</p>



After amendment	Before amendment	Description
<p><u>chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.</u></p>		
<p>Article 16 <u>Public disclosure</u>  <u>On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u>  <u>During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall</u></p>		<p>This article has been added to accommodate for virtual shareholders meetings and "Rules of Procedure for Shareholders Meetings".</p>

After amendment		Before amendment		Description
	<p><u>be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting. If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.</u></p>			
Article 17	<p><u>Maintaining order at the meeting place</u> The personnel responsible for the administration affairs during the meeting shall wear ID badges or armbands.</p> <p>The chair may direct disciplinary personnel or security personnel to help keep the meeting place in order. Such disciplinary officers or security guards shall wear badges marked "Disciplinary Officers" for identification purposes.</p> <p>At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing. When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.</p>	Article 6	<p><u>Article VI: The Company may appoint the retained attorney(s), certified public accountant(s) or relevant personnel to participate in a shareholders' meeting.</u> The personnel responsible for the administration affairs during the meeting shall wear ID badges or armbands.</p>	<p>1.The title have been added.</p> <p>2.The original Article 6 has been slightly revised and moved to Paragraph 1 of this Article.</p> <p>3.The original Article 19 has been slightly revised and moved to Paragraph 2-4 of this Article.</p>
Article	<p><u>Recess and resumption of a</u></p>			1.The title

After amendment		Before amendment		Description
18	<p><u>shareholders meeting</u> When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.</p> <p><u>A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.</u></p>	Article 16	<p>When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.</p>	<p>have been added.</p> <p>2.The original Article 16 has been moved to Paragraph 1-2 of this Article.</p> <p>3.Paragraph 3 has been added to accommodate "Rules of Procedure for Shareholders Meetings".</p>
Article 19	<p><u>Disclosure of information at virtual meetings</u> <u>In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has adjourned.</u></p>			<p>This article has been added to accommodate for virtual shareholders meetings and "Rules of Procedure for Shareholders Meetings".</p>
Article 20	<p><u>Location of the chair and secretary of virtual-only shareholders meeting</u> <u>When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is</u></p>			<p>This article has been added to accommodate for virtual shareholders meetings and "Rules of Procedure for Shareholders</p>

	After amendment	Before amendment	Description
	called to order.		Meetings”.
Article 21	<p><u>Handling of disconnection</u>  <u>In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u>  <u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u>  <u>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</u>  <u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by</u></p>		This article has been added to accommodate for virtual shareholders meetings and “Rules of Procedure for Shareholders Meetings”.

After amendment	Before amendment		Description
<p><u>the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.</u></p> <p><u>When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be</u></p>			

After amendment		Before amendment		Description
	<p><u>deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies. For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u></p>			
Article 22	<p><u>Handling of digital divide</u></p> <p><u>When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u></p>			This article has been added to accommodate for virtual shareholders meetings and “Rules of Procedure for Shareholders Meetings”.
Article 23	<p><u>Implementation and amendment dates</u></p> <p>These Rules shall come into effect upon resolution by the Board of</p>	Article 20	These Rules shall come into effect upon resolution by the Board of	1.The title have been added.

After amendment		Before amendment		Description
	<p>Directors and approval by the shareholders' meeting. The same applies to any amendment.</p> <p>The Rules were established on June 28,2001.</p> <p>The 1st Amendment was made on May 24,2002.</p> <p>The 2nd Amendment was made on June 27,2007.</p> <p>The 3rd Amendment was made on June 14,2018.</p> <p>The 4th Amendment was made on June 16,2020.</p> <p><u>The 5th Amendment was made on June 12,2023.</u></p>	Article 21	<p>Directors and approval by the shareholders' meeting. The same applies to any amendment.</p> <p>These Rules were established on June 28, 2001.</p> <p>1st amendment was made on May 24, 2002.</p> <p>2nd amendment was made on June 27, 2007.</p> <p>3rd amendment was made on June 14, 2018.</p> <p>4th amendment was made on June 16, 2020.</p>	<p>2.The original Article 20 has been slightly revised and moved to Paragraph 1 of this Article.</p> <p>3.The original Article 21 has been moved to Paragraph 2 of this Article and The latest amendment has been added</p>

(Attachment 10)

**Table of Amendments to the “Articles of Incorporation” of Plastron Precision Co., Ltd.**

Item	After amendment	Before amendment	Description
Article 2	<p>The business scope of the Company is as follows:</p> <p><u>01. C804990 Other Rubber Products Manufacturing</u></p> <p><u>02. C805050 Industrial Plastic Products Manufacturing</u></p> <p><u>03. C805990 Other Plastic Products Manufacturing</u></p> <p><u>04. CA02990 Other Fabricated Metal Products Manufacturing Not Elsewhere Classified</u></p> <p><u>05. CC01080 Electronics Components Manufacturing</u></p> <p><u>06. CC01110 Computers and Computing Peripheral Equipment Manufacturing</u></p> <p><u>07. CD01030 Automobiles and Parts Manufacturing</u></p> <p><u>08. CQ01010 Die Manufacturing</u></p> <p><u>09. CZ99990 Other Industrial Products Manufacturing Not Elsewhere Classified</u></p> <p><u>10. F106010 Wholesale of Ironware</u></p> <p><u>11. F119010 Wholesale of Electronic Materials</u></p> <p><u>12. F206010 Retail Sale of Ironware</u></p> <p><u>13. F206030 Retail Sale of Die</u></p> <p><u>14. F219010 Retail Sale of Electronic Materials</u></p> <p><u>15. F401010 International Trade</u></p> <p><u>16. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</u></p>	<p>The business scope of the Company is as follows:</p> <p><u>I. Trading of injection molding and manufacturing of plastic materials and plastic products (automobile parts, electronic parts, computer parts, toys, etc.) (except for electric toys and toy pistols).</u></p> <p><u>II. Manufacturing, processing, and trading of various types of molds.</u></p> <p><u>III. Manufacturing, processing, and trading of electronic parts, computers, and computer parts.</u></p> <p><u>IV. Manufacturing, processing, and trading of zinc, aluminum, rubber and small hardware.</u></p> <p><u>V. General trading business (except those subject to special approval).</u></p> <p><u>VI. Quotation and tender business of domestic and international manufactures as an agent.</u></p>	<p>This article has been added in line with the Company’s operations, newly added business items and in response to the change of registration application requirements made by the Department of Commerce, MOEA.</p>
Article 3	<p>The Company may make guarantees to others for business needs <u>in accordance with the Company’s Operational Procedures for Endorsements and Guarantees.</u> <u>The Company’s total amount of investment is not subject to the limitation under Article 13 of the Company Act.</u></p>	<p>The total amount of the Company’s making of guarantees to others <u>and investment in other businesses for business needs may exceed 40% of the Company’s paid-in capital.</u></p>	<p>This article has been amended to accommodate the Company’s current operations.</p>
Article 6	<p>The authorized capital of the Company</p>	<p>The authorized capital of the Company</p>	<p>The text in</p>



Item	After amendment	Before amendment	Description
	<p>is NT\$2 billion consisting of 200 million shares. The par value of each share is NT\$10, and such shares are authorized to the Board of Directors to be issued in <u>installments</u>.</p> <p>Of the capital under Paragraph 1, an amount of NT\$60 million is reserved for the issuance of employee stock warrants; a total of 6 million shares are to be issued with a par value of NT\$10 per share, which may be issued in tranches by the resolution of the Board of Directors.</p>	<p>is NT\$2 billion consisting of 200 million shares. The par value of each share is NT\$10, and such shares are issued in <u>installments</u>. <u>Shares not yet issued</u> are authorized to the Board of Directors to be <u>issued</u>.</p> <p>Of the capital under Paragraph 1, an amount of NT\$60 million is reserved for the issuance of employee stock warrants; a total of 6 million shares are to be issued with a par value of NT\$10 per share, which may be issued in tranches by the resolution of the Board of Directors.</p>	Paragraph 1 has been slightly revised.
Article 7	<p>The <u>shares issued</u> by the Company are exempted from printing, any such certificates, provided that <u>such shares are registered with a securities depository enterprise, and follow the regulations of that enterprise</u>.</p>	<p>The Company's <u>share certificates are registered and publicly traded</u>. The shares issued by the Company are exempted from printing, provided such shares are registered with a security depository enterprise.</p>	The text has been slightly revised.
Article 9	<p>Shareholders' meetings are divided into general meetings and special meetings. A general meeting shall be convened within six months after close of each fiscal year. A special meeting shall be convened when necessary in accordance with law.</p> <p><u>The Company's shareholders' meeting may be held by means of physical shareholders' meeting or other methods announced by the central competent authority.</u></p> <p><u>The conditions, operational procedures and other matters shall be followed where the Company's shareholders' meeting is held by means of visual communication network, unless otherwise provided by the competent authority.</u></p>	<p>Shareholders' meetings are divided into general meetings and special meetings. A general meeting shall be convened within six months after close of each fiscal year. A special meeting shall be convened when necessary in accordance with law.</p>	Paragraphs 2 and 3 have been added to accommodate shareholder s' meetings held by means of visual communication network.
Article 10	<p>Any shareholder who is unable to attend a shareholders' meeting for any reason may appoint a proxy to attend the meeting by presenting a proxy form printed by the Company, indicating the scope of the authorization. <u>In addition to the provisions stipulated in Article 177 of the Company Act, a shareholder may</u></p>	<p>Any shareholder who is unable to attend a shareholders' meeting for any reason may appoint a proxy to attend the meeting by presenting a proxy form printed by the Company, indicating the scope of the authorization.</p>	Paragraph 2 has been added to add that the attendance of shareholder proxies shall be subject

Item	After amendment	Before amendment	Description
	<u>appoint a proxy to attend the meeting in accordance with the “Regulations Governing the Use of Proxies for Attendance at Shareholders Meetings of Public Companies” that is announced by the competent authority.</u>		to the regulations.
Article 11	Except in the no voting right circumstances set forth in <u>Paragraph 2</u> , Article 179 of the Company Act, a shareholder of the Company shall have one voting power in respect of each share in one’s possession.	Except in the no voting right circumstances set forth in Article 179 of the Company Act, a shareholder of the Company shall have one voting power in respect of each share in one’s possession.	Paragraph added to accommodate the law.
Article 12	Resolutions at a shareholders’ meeting shall, unless otherwise provided for in applicable laws and regulations, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares. According to the regulations, the Company’s shareholders may exercise the voting power at a shareholders’ meeting by way of electronic transmission. A shareholder who exercises one’s voting power at a shareholders meeting by way of electronic transmission shall be deemed to have attended the said shareholders’ meeting in person. The relevant matters shall be conducted in accordance with applicable laws and regulations.	Resolutions at a shareholders’ meeting shall unless otherwise provided for in applicable laws and regulations be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares. According to the regulations, the Company’s shareholders may exercise the voting power at a shareholders’ meeting by way of electronic transmission. A shareholder who exercises one’s voting power at a shareholders meeting by way of electronic transmission shall be deemed to have attended the said shareholders’ meeting in person. The relevant matters shall be conducted in accordance with applicable laws and regulations.	Commas added
Article 13-2	Pursuant to Article 14-4 of the Securities and Exchange Act, the Company has established an Audit Committee, which consists of all independent directors.	Pursuant to Article 14-4 of the Securities and Exchange Act, the Company has established an Audit Committee, which consists of all independent directors. <u>The Audit Committee or Audit Committee members are responsible for carrying out the responsibilities of the supervisor prescribed in the Company Act, Securities and Exchange Act and other applicable laws and regulations.</u>	The text has been slightly revised, with the second sentence deleted.
Article 13-3	<u>The Company may establish other functional committee under the Board of Directors. The number of members,</u>		This article has been added in

Item	After amendment	Before amendment	Description
	<u>terms of office, and responsibilities of the functional committees shall be prescribed in their respective charter resolved by the Board of Directors.</u>		accordance with Article 27 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
Article 15-1	A meeting of the Board of Directors <u>may</u> be held by video conference, and directors who participate in the meeting by video conference shall be deemed to have attended the meeting in person.	In case a meeting of the Board of Directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.	The text has been slightly revised.
Article 15-3	<u>When the number of vacancies in the Board of Directors equals one-third of the total number of directors or if all independent directors are dismissed, the Board of Directors shall call, within 60 days, a special shareholders meeting to elect succeeding directors to fill the vacancies for the remaining service time of the dismissed directors.</u>		This article has been added to accommodate Article 201 of the Company Act and Article 14-2 of the Securities and Exchange Act.
Article 15-4	<u>In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.</u>		This article has been added to accommodate Article 195 of the Company Act.
Article 17	The Company may have managers in place. Their appointment, dismissal, and remuneration shall be subject to Article <u>29</u> of the Company Act.	The Company may have <u>1 president, several vice presidents</u> in place. Their appointment, dismissal, and remuneration shall be subject to Article <u>29</u> of the Company Act.	The text has been slightly revised to accommodate Article 29 of the Company

Item	After amendment	Before amendment	Description
			Act.
Article 20	<p>If the Company makes a profit for the year, the Company shall set aside no less than 1.5% of the profit as remuneration to employees and no more than 2% of the profit as remuneration to directors. However, where there are accumulated losses, profits shall be set aside to cover the Company's accumulated losses.</p> <p>If there is a profit for the year after the final accounts, taxes shall be paid first and past losses covered before setting 10% of the profit aside as the legal reserve. This does not apply when the legal reserve reaches the amount of paid-in capital and special reserve shall be appropriated or reserved in accordance with the law and regulations of the competent authorities.</p> <p>Under Article <u>No.</u> 240 of the Company Act, the Board of Directors is delegated to resolve any distribution of earnings in cash to be reported at the shareholders' meeting.</p> <p>Where the Company issues new shares or cash from legal reserve or capital reserves by means of cash, it shall be resolved by the Board of Directors pursuant to Article 241 of the Company Act to be reported at the shareholders' meeting.</p>	<p>If the Company makes a profit for the year, the Company shall set aside no less than 1.5% of the profit as remuneration to employees and no more than 2% of the profit as remuneration to directors/<u>supervisors</u>. However, where there are accumulated losses, profits shall be set aside to cover the Company's accumulated losses.</p> <p>If there is a profit for the year after the final accounts, taxes shall be paid first and past losses covered before setting 10% of the profit aside as the legal reserve. This does not apply when the legal reserve reaches the amount of paid-in capital and special reserve shall be appropriated or reserved in accordance with the law and regulations of the competent authorities.</p> <p>Under Article 240 of the Company Act, the Board of Directors is delegated to resolve any distribution of earnings in cash to be reported at the shareholders' meeting.</p> <p>Where the Company issues new shares or cash from legal reserve or capital reserves by means of cash, it shall be resolved by the Board of Directors pursuant to Article 241 of the Company Act to be reported at the shareholders' meeting.</p>	The text has been slightly revised.
Article 22	<p>The Articles of Incorporation was enacted on April 20, 1988.</p> <p>1st amendment was made on August 11, 1993.</p> <p>2nd amendment was made on October 6, 1994.</p> <p>3rd amendment was made on November 18, 1997.</p> <p>4th amendment was made on December 6, 1997.</p> <p>5h amendment was made on December 24, 1999.</p> <p>6th amendment was made on April 11, 2000.</p>	<p>The Articles of Incorporation was enacted on April 20, 1988.</p> <p>1st amendment was made on August 11, 1993.</p> <p>2nd amendment was made on October 6, 1994.</p> <p>3rd amendment was made on November 18, 1997.</p> <p>4th amendment was made on December 6, 1997.</p> <p>5h amendment was made on December 24, 1999.</p> <p>6th amendment was made on April 11, 2000.</p>	The latest amendment has been added.

Item	After amendment	Before amendment	Description
	<p>7th amendment was made on May 19, 2000.</p> <p>8th amendment was made on February 25, 2002.</p> <p>9th amendment was made on May 20, 2003.</p> <p>10th amendment was made on May 18, 2004.</p> <p>11th amendment was made on May 18, 2004.</p> <p>12th amendment was made on June 10, 2005.</p> <p>13th amendment was made on June 14, 2006.</p> <p>14th amendment was made on June 27, 2007.</p> <p>15th amendment was made on June 13, 2008.</p> <p>16th amendment was made on June 15, 2011.</p> <p>17th amendment was made on June 15, 2012.</p> <p>18th amendment was made on June 19, 2014.</p> <p>19th amendment was made on April 26, 2016.</p> <p>20th amendment was made on June 20, 2017.</p> <p>21st amendment was made on June 16, 2020.</p> <p><u>22nd amendment was made on June 12, 2023.</u></p>	<p>7th amendment was made on May 19, 2000.</p> <p>8th amendment was made on February 25, 2002.</p> <p>9th amendment was made on May 20, 2003.</p> <p>10th amendment was made on May 18, 2004.</p> <p>11th amendment was made on May 18, 2004.</p> <p>12th amendment was made on June 10, 2005.</p> <p>13th amendment was made on June 14, 2006.</p> <p>14th amendment was made on June 27, 2007.</p> <p>15th amendment was made on June 13, 2008.</p> <p>16th amendment was made on June 15, 2011.</p> <p>17th amendment was made on June 15, 2012.</p> <p>18th amendment was made on June 19, 2014.</p> <p>19th amendment was made on April 26, 2016.</p> <p>20th amendment was made on June 20, 2017.</p> <p>21st amendment was made on June 16, 2020.</p>	

(Attachment 11)

**Table of Amendments to the “Procedures for the Acquisition and Disposal of Assets” of Plastron Precision Co., Ltd.**

Item	After amendment	Before amendment	Description
Article 4	<p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant’s opinions, attorney’s opinions, or underwriter’s opinions shall meet the following requirements:</p> <p>I. [omitted] II. [omitted] III. [omitted]</p> <p>When issuing an appraisal report or opinion, <u>the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:</u></p> <p>I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. II. When <u>carrying out</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. III. They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. IV. They shall issue a statement attesting to the professional competence and independence of</p>	<p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant’s opinions, attorney’s opinions, or underwriter’s opinions shall meet the following requirements:</p> <p>I. [omitted] II. [omitted] III. [omitted]</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. II. When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. III. They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy, and reasonableness</u> of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they</p>	<p>To accommodate the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” (hereinafter referred to as “the Regulations Governing the Acquisition and Disposal of Assets”), the text has been revised.</p>

Item	After amendment	Before amendment	Description
	the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.	have evaluated and found that the information used is reasonable <u>and accurate</u> , and that they have complied with applicable laws and regulations.	
Article 6	<p>Acquisition or disposal of real property, equipment or their right-to-use assets</p> <p>I. [omitted]</p> <p>II. Operating procedures</p> <p>(I) Authorization amount and level If the acquisition and disposal of the Company’s real property, equipment, or their right-to-use assets amounting to less than <u>NT\$12 million</u> shall be submitted to the president for approval; if it amounts to more than <u>NT\$12 million</u> and less than NT\$100 million, it shall be submitted to the chairman for approval; if it amounts to more than NT\$50 million, it <u>shall</u> be reported at the next Board of Directors meeting; if it amounts to more than NT\$100 million, it shall be submitted to the next Board of Directors meeting for approval.</p> <p>(II) [omitted]</p> <p>(III) Transaction amount</p> <ol style="list-style-type: none"> <li>1. [omitted]</li> <li>2. Disposal of real property, equipment, or their right-to-use assets: The user shall fill in an application form or submit a special project stating the reason <u>and</u> method of disposal for approval.</li> <li>3. [omitted]</li> <li>4. [omitted]</li> </ol> <p>III. Valuation report of acquisition or disposal of real property, equipment or their right-to-use assets</p> <p>In acquiring or disposing of real</p>	<p>Acquisition or disposal of real property, equipment or their right-to-use assets</p> <p>I. [omitted]</p> <p>II. Operating procedures</p> <p>(I) Authorization amount and level If the acquisition and disposal of the Company’s real property, equipment, or their right-to-use assets amounting to less than NT\$2 million shall be submitted to the president for approval; if it amounts to more than NT\$12 million and less than NT\$100 million, it shall be submitted to the chairman for approval; if it amounts to more than NT\$50 million, it shall be reported at the next Board of Directors meeting; if it amounts to more than NT\$100 million, it shall be submitted to the next Board of Directors meeting for approval.</p> <p>(II) [omitted]</p> <p>(III) Transaction amount</p> <ol style="list-style-type: none"> <li>1. [omitted]</li> <li>2. Disposal of real property, equipment, or their right-to-use assets: The user shall fill in an application form or submit a special project stating the reason, method of disposal for approval.</li> <li>3. [omitted]</li> <li>4. [omitted]</li> </ol> <p>III. Valuation report of acquisition or disposal of real property, equipment or their right-to-use assets</p> <p>In acquiring or disposing of real</p>	<ol style="list-style-type: none"> <li>1. The text in Paragraph 2 of the Article has been revised in accordance with the “Approval and Authority Rules”.</li> <li>2. To accommodate the Regulations Governing the Acquisition and Disposal of Assets, the text in Item 3, Paragraph 3 of the Article has been revised.</li> </ol>

Item	After amendment	Before amendment	Description
	<p>property, equipment, or their right-to-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(I) [omitted]            (II) [omitted]            (III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> <li>1. [omitted]</li> <li>2. [omitted]</li> </ol> <p>(IV) [omitted]</p>	<p>property, equipment, or their right-to-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(I) [omitted]            (II) [omitted]            (III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> <li>1. [omitted]</li> <li>2. [omitted]</li> </ol> <p>(IV) [omitted]</p>	
Article 7	Acquisition or disposal of securities	Acquisition or disposal of securities	The text in



Item	After amendment	Before amendment	Description
	<p>I. [omitted]</p> <p>II. Operating procedures</p> <p>(I) [omitted]</p> <p>(II) [omitted]</p> <p>(III) Transaction amount</p> <p>1. [omitted]</p> <p>2. Investments in <u>physical</u> securities in the assets shall be registered by the accounting unit and kept in a safe deposit box by the financial unit.</p> <p>3. [omitted]</p> <p>III. [omitted]</p>	<p>I. [omitted]</p> <p>II. Operating procedures</p> <p>(I) [omitted]</p> <p>(II) [omitted]</p> <p>(III) Transaction amount</p> <p>1. [omitted]</p> <p>2. Investments in securities in the assets shall be registered by the accounting unit and kept in a safe deposit box by the financial unit.</p> <p>3. [omitted]</p> <p>III. [omitted]</p>	Item 3, Paragraph 2 has been slightly revised.
Article 8	<p>Acquisition or disposal of intangible assets or their right-to-use assets or memberships</p> <p>I. [omitted]</p> <p>II. Operating procedures</p> <p>The authorization amount, level, executive unit and transaction procedures for the acquisition or disposal of intangible assets or their right-to-use assets or memberships shall be subject to <u>Paragraph 2</u>, Article 6.</p> <p>III. [omitted]</p>	<p>Acquisition or disposal of intangible assets or their right-to-use assets or memberships</p> <p>I. [omitted]</p> <p>II. Operating procedures</p> <p>The authorization, level, executive unit and transaction procedures for the acquisition or disposal of intangible assets or their right-to-use assets or memberships shall be subject to <u>Paragraph 3</u>, Article 6.</p> <p>III. [omitted]</p>	Paragraph revised.
Article 12	<p>Related party transaction</p> <p>I. [omitted]</p> <p>II. [omitted]</p> <p>III. When the Company intends to acquire or dispose of property or their right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than property or right-of-use assets from or to a related party and the transaction amount reaches 20 percent or more of the paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of funds issued by domestic securities investment trust enterprises, the</p>	<p>Related party transaction</p> <p>I. [omitted]</p> <p>II. [omitted]</p> <p>III. When the Company intends to acquire or dispose of property or their right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than property or right-of-use assets from or to a related party and the transaction amount reaches 20 percent or more of the paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or subscription or redemption of <u>money market</u> funds issued by domestic securities</p>	<p>1. The text in Paragraph 3 has been slightly revised.</p> <p>2. To accommodate the Regulations Governing the Acquisition and Disposal of Assets, the original</p>

Item	After amendment	Before amendment	Description
	<p>Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and Board of Directors: (I) to (VII) [omitted]</p> <p><u>IV.</u> For the following transactions conducted between the Company and the subsidiaries or between subsidiaries that are with 100% shareholding or total capital stock held directly or indirectly by the company, the chairman <u>may be</u> authorized to make a discretionary decision for an amount within NT\$100 million, and then report it in the most recent meeting of the Board of Directors afterward for approval: (I) to (II) [omitted]</p> <p><u>V.</u> [omitted] <u>VI.</u> [omitted] <u>VII.</u> [omitted] <u>VIII.</u> The terms "all Audit Committee members" in the <u>preceding paragraph</u> and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p> <p><u>IX.</u> <u>If the Company or a subsidiary thereof that is not a domestic public company will have a transaction set out in Paragraph 3 and the transaction amount will reach 10 percent or more of the Company's total assets, the Company shall submit the materials set forth in Paragraph 3 to the shareholders' meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the</u></p>	<p>investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and Board of Directors: (I) to (VII) [omitted]</p> <p><u>IV.</u> <u>The calculation of the transaction amounts referred to in Paragraph 3 and preceding paragraph shall be made in accordance with Paragraph 1, Article 10, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Audit Committee pursuant to these Procedures, the Board of Directors need not be counted toward the transaction amount.</u></p> <p><u>V.</u> For the following transactions conducted between the Company and the <u>parent company</u> and subsidiaries or between subsidiaries that are with 100% shareholding or total capital stock held directly or indirectly by the company, the chairman may be authorized to make a discretionary decision for an amount within NT\$100 million, and then report it in the most recent meeting of the Board of Directors afterward for approval: (I) to (II) [omitted]</p> <p><u>VI.</u> [omitted] <u>VII.</u> [omitted] <u>VIII.</u> [omitted] <u>IX.</u> The terms "all Audit Committee members" in the <u>Paragraph 7</u> and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p>	<p>Paragraph 4 has been moved to Paragraph 10 with some text revised.</p> <p>3. The original Paragraph 5 has been moved to Paragraph 4 with some text revised.</p> <p>4. The original Paragraphs 6 to 8 have been moved to Paragraphs 5 to 7.</p> <p>5. The original Paragraph 9 has been moved to Paragraph 8 with some text revised.</p> <p>6. To accommodate the Regulations governing the</p>

Item	After amendment	Before amendment	Description
	<p><u>Company and its parent company or subsidiaries or between its subsidiaries.</u></p> <p><u>X. The calculation of the transaction amounts referred to in Paragraph 3 and preceding paragraph shall be made in accordance with Paragraph 1, Article 10, and “within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Audit Committee pursuant to these Procedures, Board of Directors, and shareholders’ meeting need not be counted toward the transaction amount.</u></p> <p><u>XI. Evaluation procedure I</u>  (I) [omitted]  (II) [omitted]  (III) The Company acquiring real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the preceding two items shall <u>also</u> engage a CPA to check the appraisal and render a specific opinion.  (IV) Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with Paragraphs 3 to <u>10</u> of the Article, and the preceding three items do not apply:  1. [omitted]  2. [omitted]  3. [omitted]  4. The real property, equipment <u>or their</u> right-to-use assets for business use are acquired by</p>	<p><u>X. Evaluation procedure I</u>  (I) [omitted]  (II) [omitted]  (III) The Company acquiring real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the preceding two items shall engage a CPA to check the appraisal and render a specific opinion.  (IV) Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with Paragraphs 3 to <u>9</u> of the Article, and the preceding three items do not apply:  1. [omitted]  2. [omitted]  3. [omitted]  4. The real property, equipment, right-to-use assets for business use are acquired by the Company with its <u>parent</u> or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</p> <p><u>XI. Evaluation procedure II</u>  (I) When the results of the Company’s appraisal conducted in accordance with items 1 and 2 of the preceding paragraph are uniformly lower than the transaction price, the matter shall be handled in compliance with <u>Paragraph 12</u>. However,</p>	<p>Acquisition and Disposal of Assets, Paragraphs 9 and 10 have been added to strengthen stakeholder transactions.</p> <p>7. The original Paragraphs 10 and 11 have been moved to Paragraphs 11 and 12 with some text revised accordingly.</p> <p>8. The original Paragraph 12 has been moved to Paragraph 13 with some text revised.</p>

Item	After amendment	Before amendment	Description
	<p>the Company with its subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</p> <p><u>XII.</u> Evaluation procedure II</p> <p>(I) When the results of the Company's appraisal conducted in accordance with items 1 and 2 of the preceding paragraph are uniformly lower than the transaction price, the matter shall be handled in compliance with <u>Paragraph 3</u>. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:</p> <ol style="list-style-type: none"> <li>1. [omitted]</li> <li>2. [omitted]</li> </ol> <p>(II) [omitted]</p> <p><u>XIII.</u> Evaluation procedure III</p> <p>(I) Where Company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two paragraphs are uniformly lower than the transaction price, the following steps shall be taken:</p> <ol style="list-style-type: none"> <li>1. For the difference between the transaction price and assessed cost of the property and its use-of-right assets, a special reserve shall be appropriated in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act, and it shall not be distributed or capitalized with</li> </ol>	<p>where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:</p> <ol style="list-style-type: none"> <li>1. [omitted]</li> <li>2. [omitted]</li> </ol> <p>(II) [omitted]</p> <p><u>XII.</u> Evaluation procedure III</p> <p>(I) Where Company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two paragraphs are uniformly lower than the transaction price, the following steps shall be taken:</p> <ol style="list-style-type: none"> <li>1. For the difference between the transaction price and assessed cost of the property and its use-of-right assets, a special reserve shall be appropriated in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act, and it shall not be distributed or capitalized with stock shares distributed.</li> </ol> <p><u>Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.</u></p> <ol style="list-style-type: none"> <li>2. [omitted]</li> <li>3. [omitted]</li> </ol> <p>(II) [omitted]</p> <p>(III) When the Company obtains real</p>	

Item	After amendment	Before amendment	Description
	<p>stock shares distributed.</p> <p>2. [omitted]</p> <p>3. [omitted]</p> <p>(II) [omitted]</p> <p>(III) When the Company obtains real property or right-of-use assets thereof from a related party, it shall also comply with <u>(I) and (II)</u> of the paragraph if there is other evidence indicating that the acquisition was not an arms length transaction.</p>	<p>property or right-of-use assets thereof from a related party, it shall also comply with the preceding two items if there is other evidence indicating that the acquisition was not an arms length transaction.</p>	
Article 13	<p>Engagement in derivatives trading</p> <p>I. [omitted]</p> <p>II. Risk management measures</p> <p>(I) [omitted]</p> <p>(II) [omitted]</p> <p>(III) [omitted]</p> <p>(IV) [omitted]</p> <p>(V) Operational risk management</p> <p>1. The Company's authorization amount and operating procedures shall be thoroughly followed and incorporated in internal audits to avoid operational risks.</p> <p>2. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.</p> <p>3. Risk measurement, monitoring, and control personnel shall be assigned to a different department that the personnel in 2. mentioned above and shall report to the Board of Directors.</p> <p>(VI) Legal risk management: Prior to formally signing documents with financial institutions, they shall be reviewed by specialized personnel such as</p>	<p>Engagement in derivatives trading</p> <p>I. [omitted]</p> <p>II. Risk management measures</p> <p>(I) [omitted]</p> <p>(II) [omitted]</p> <p>(III) [omitted]</p> <p>(IV) [omitted]</p> <p>(V) Operational risk management</p> <p>1. The Company's authorization amount and operating procedures shall be thoroughly followed and incorporated in internal audits to avoid operational risks.</p> <p>2. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.</p> <p>3. Risk measurement, monitoring, and control personnel shall be assigned to a different department that the personnel in 2. mentioned above and shall report to the Board of Directors <u>or senior management personnel with no responsibility for trading or position decision-making.</u></p> <p>(VI) Legal risk management: Prior to formally signing documents with financial institutions, they</p>	<p>The text in Item 5, Paragraph 2 of the original Article has been slightly revised in line with the Company's operation.</p>

Item	After amendment	Before amendment	Description
	<p>the <u>financial unit</u> and legal affairs or legal advisors, to avoid legal risks.</p> <p>[omitted hereinafter]</p>	<p>shall be reviewed by specialized personnel such as the <u>foreign exchange unit</u> and legal affairs or legal advisors, to avoid legal risks.</p> <p>[omitted hereinafter]</p>	
Article 15	<p>Information disclosure</p> <p>I. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(I) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of funds issued by domestic securities investment trust enterprises.</p> <p>(II) [omitted]</p> <p>(III) [omitted]</p> <p>(IV) [omitted]</p> <p>(V) [omitted]</p> <p>(VI) Where an asset transaction other than any of those referred to in the preceding five items, a disposal of receivables by a financial institution, or an investment in the mainland</p>	<p>Information disclosure</p> <p>I. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(I) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of <u>money market</u> funds issued by domestic securities investment trust enterprises.</p> <p>(II) [omitted]</p> <p>(III) [omitted]</p> <p>(IV) [omitted]</p> <p>(V) [omitted]</p> <p>(VI) Where an asset transaction other than any of those referred to in the preceding five items, a disposal of receivables by a financial institution, or an investment in the mainland</p>	<p>The text has been revised to accommodate the Regulations Governing the Acquisition and Disposal of Assets.</p>

Item	After amendment	Before amendment	Description
	<p>China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided. This shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> <li>1. Trading of domestic government bonds <u>or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u></li> <li>2. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</li> </ol> <p>II. The calculation method of the transaction amount in the preceding paragraph shall be subject to the provisions of Article 10 <u>of these Procedures.</u> Items that have been announced in accordance with the provisions of these Procedures need not be counted toward the transaction amount.</p> <p>[omitted hereinafter]</p>	<p>China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided. This shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> <li>1. Trading of domestic government bonds.</li> <li>2. Trading of bonds under repurchase and resale agreements, or subscription or redemption of <u>money market</u> funds issued by domestic securities investment trust enterprises.</li> </ol> <p>II. The calculation method of the transaction amount in the preceding paragraph shall be subject to the provisions of Article 10. Items that have been announced in accordance with the provisions need not be counted toward the transaction amount.</p> <p>[omitted hereinafter]</p>	
Article 16	<p>Provisions acquisition or disposal of assets by subsidiaries</p> <p>(I) [omitted]</p> <p>II. The acquisition or disposal of assets by the Company's subsidiaries is subject to the Company's "<u>Procedures for the Acquisition and Disposal of Assets</u>". The subsidiaries are not required to establish their Procedures for the Acquisition and Disposal of Assets.</p> <p>III. [omitted]</p> <p>IV. The paid-in capital or total assets of the Company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it</p>	<p>Provisions acquisition or disposal of assets by subsidiaries</p> <p>(I) [omitted]</p> <p>II. The acquisition or disposal of assets by the Company's subsidiaries is subject to the Company's "<u>Regulations Governing the Acquisition and Disposal of Assets by Public Companies</u>". The subsidiaries are not required to establish their Procedures for the Acquisition and Disposal of Assets.</p> <p>III. [omitted]</p> <p>IV. The paid-in capital or total assets of the Company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to</p>	The text has been slightly revised.

Item	After amendment	Before amendment	Description
	reaches a threshold requiring public announcement and regulatory filing under Paragraph 1 Article 15 <u>of these Procedures.</u>	paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing under Paragraph 1 Article 15 of the Procedure.	
Article 17	<p>Implementation and Amendment</p> <p>I. <u>The establishment of these Procedures shall be approved by one-half of all members of the Audit Committee and submitted to the Board of Directors for resolution. If approval of one-half or more of all Audit Committee members is not obtained, the establishment of these Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting and submitted to the shareholders' meeting for approval. The same applies to any amendment.</u></p> <p>II. <u>The terms "all Audit Committee members" in the preceding paragraph and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p>	<p>Implementation and Amendment</p> <p>I. After these Procedures have been approved by the Audit Committee, it shall be submitted to the Board of Directors for resolution <u>and submitted to the shareholders' meeting for approval. The same applies to any amendment. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to each independent director.</u></p> <p>II. When the "<u>Procedures for the Acquisition and Disposal of Assets</u>" is reported to the Board of Directors for discussion, the opinions of each independent director shall be fully considered. <u>If the independent director has had any objection or reservation, it shall be stated in the meeting of the Board of Directors minutes.</u></p> <p>III. <u>The establishment of or amendment to these Procedures is subject to the provisions in Paragraphs 7 to 9 of Article 12.</u></p>	The text in Paragraph 1 and 3 of the original Article has been slightly revised and moved to Paragraph 1 with Paragraph 2 added in line with the Company's operation.
Article 18	<p>Other matters</p> <p>I. Where the relevant personnel violate these Procedures or other laws or regulations, the Company may impose a warning, demerit, demotion, suspension, salary</p>	<p>Other matters</p> <p>I. Where the relevant personnel violate the <u>Operational Procedure</u> or other laws or regulations, the Company may impose a warning, demerit, demotion, suspension,</p>	1. Paragraph 2 has been added to accommodate the Regulation



Item	After amendment	Before amendment	Description
	<p>reduction or other penalties depending on the severity of the situation, which will be included as an internal review matter.</p> <p><u>II. 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.</u></p> <p>III. With respect to the Company's acquisition or disposal of assets that is subject to the approval of the Board of Directors under these Procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to each independent director.</p> <p><u>IV. The Company's acquisition or disposal of assets are subject to the provisions of these Procedures. Matters not specified in these Procedures shall be governed by applicable laws and regulations.</u></p> <p><u>V. Any doubt with respect to the appropriateness or applicability of these Procedures shall be subject to the applicable laws and regulations. If not set forth by law and regulations, the Board of Directors of the Company shall carry out a discussion on the matter.</u></p>	<p>salary reduction or other penalties depending on the severity of the situation, which will be included as an internal review matter.</p> <p><u>II. Any doubt with respect to the appropriateness or applicability of the Operational Procedures shall be subject to the applicable laws and regulations. If not set forth by law and regulations, the Board of Directors of the Company shall carry out a discussion on the matter.</u></p> <p>III. With respect to the Company's acquisition or disposal of assets that is subject to the approval of the Board of Directors under these Procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to each independent director.</p> <p><u>IV. When a transaction of acquisition and disposal of assets is reported to the Board of Directors for discussion under the preceding paragraph, the opinions of each independent director shall be fully considered. If the independent director has had any objection or reservation, it shall be stated in the meeting of the Board of Directors minutes.</u></p> <p>V. The Company's acquisition or disposal of assets are subject to the provisions of these Procedures. Matters not specified in these Procedures shall be governed by applicable laws and regulations.</p>	<p>s Governing the Acquisition and Disposal of Assets.</p> <p>2. The original Paragraph 2 has been moved to paragraph 5.</p> <p>3. As the original Paragraph 4 is the same as Paragraph 3 of Article 17, this article has been deleted. The original Paragraph 5 has been moved to Paragraph 4.</p>
Article 19	<p><u>Date of establishment and amendment</u> These Procedures were established on May 19, 2000. 1st amendment was made on May 24,</p>	<p>These Procedures were established on May 19, 2000. 1st amendment was made on May 24,</p>	<p>The title and the latest amendment have been</p>

Item	After amendment	Before amendment	Description
	2002. 2nd amendment was made on May 20, 2003. 3rd amendment was made on June 27, 2007. 4th amendment was made on June 15, 2010. 5th amendment was made on June 15, 2012. 6th amendment was made on June 19, 2014. 7th amendment was made on April 26, 2016. 8th amendment was made on June 20, 2017. 9th amendment was made on May 7, 2019. 10th amendment was made on June 16, 2020. <u>11th amendment was made on June 12, 2023.</u>	2002. 2nd amendment was made on May 20, 2003. 3rd amendment was made on June 27, 2007. 4th amendment was made on June 15, 2010. 5th amendment was made on June 15, 2012. 6th amendment was made on June 19, 2014. 7th amendment was made on April 26, 2016. 8th amendment was made on June 20, 2017. 9th amendment was made on May 7, 2019. 10th amendment was made on June 16, 2020.	added.

**(Appendix 1)**

**Plastron Precision Co., Ltd.**

**Rules of Procedures for Shareholders Meetings**

- Article I: The shareholders' meeting of the Company, unless otherwise specified by laws, shall be subject to these Rules.
- Article II: The Company shall furnish the attending shareholders with a sign-in book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. A shareholder's exercise of voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but also deemed as having waived his/her rights with respect to the extempore motions and amendments to original proposals at that meeting.
- For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.
- Each shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company at least five days before the date of the shareholders' meeting. When a duplicate proxy form is served, the one received earliest shall prevail, unless an explicit statement to revoke the previous written proxy is made in the proxy 5 days prior to the date of shareholders' meeting.
- Once a proxy form is received by the Company, if a shareholder wishes to attend the shareholders' meeting in person or to exercise their voting rights in writing or by electronic means, a written proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.
- Article III: Attendance and voting at shareholders' meetings shall be calculated based on the number of shares.
- The number of shares represented by participating shareholders shall be calculated based on the sign-in book or the submitted sign-in cards, added with the number of shares with voting rights that are exercised in writing or by electronic means.
- Article IV: The meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the meeting is 9:00 a.m. to 3:00 p.m.
- Article V: The Company's shareholders' meetings shall be convened by the Board of Directors and the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairman shall appoint one director to act as chair pursuant to Paragraph 3 Article 208 of the Company Act. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.
- If a shareholder meeting is convened by a party with the power to convene but other than the Board of Directors, the convening party shall chair the meeting. Where the convener is absent, the chair may be elected by the shareholders at the shareholders' meeting.
- Article VI: The Company may appoint the retained attorney(s), certified public accountant(s) or relevant personnel to participate in a shareholders' meeting. The personnel responsible for the administration affairs during the meeting shall wear ID badges

or armbands.

Article VII: The Company shall record or video tape the entire process of shareholders' meeting. Audio or video records of any shareholders' meeting of the preceding paragraph shall be retained for at least one year.

Article VIII: The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 Article 175 of the Company Act.

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

Article IX: If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on the proposals on the agenda one by one (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution by the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including motions), except by a resolution of the shareholders' meeting.

After close of the said meeting, shareholders shall not elect another chair to hold another meeting at the same place or at any other place. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall select a new chair, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

Article X: Before speaking, an attending shareholder shall specify on a speaker's slip the subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail.

Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The chair will have the violating shareholders stopped.

Article XI: Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.

If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

Article XII: The juridical person who has attended the shareholder's meeting by proxy can authorize only one representative to attend the meeting.

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

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

Article XIV: When the chair deems that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article XV: Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided all scrutineers be shareholders of the Company. The outcome of a vote at the Audit Committee meeting shall be reported on the spot and be recorded accordingly.

Article XVI: When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

Article XVII: For the resolution of proposals, unless otherwise provided in the Company Act and the Articles of Incorporation, the consent of a majority vote of the attending shareholders shall prevail. During voting, if the chair solicits and receives no dissents, the motion is deemed passed, with equivalent force as a resolution by vote.

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

Article XIX: The chair may direct disciplinary personnel or security personnel to help keep the meeting place in order. Such disciplinary officers (or security guards) shall wear badges marked "Disciplinary Officers" for identification purposes.

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing. When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article XX: These Rules shall come into effect upon resolution by the Board of Directors and approval by the shareholders' meeting. The same applies to any amendment.

Article XXI: These Rules were established on June 28, 2001.

1st amendment was made on May 24, 2002.

2nd amendment was made on June 27, 2007.

3rd amendment was made on June 14, 2018.

4th amendment was made on June 16, 2020.

**(Appendix 2)**

## Articles of Incorporation of Plastron Precision Co., Ltd.

### Chapter 1 General Provisions

Article 1: The Company is organized under the provisions of the Company Act and is named Plastron Precision Co. Ltd.

Article 2: The business scope of the Company is as follows:

- I. Trading of injection molding and manufacturing of plastic materials and plastic products (automobile parts, electronic parts, computer parts, toys, etc.) (except for electric toys and toy pistols).
- II. Manufacturing, processing, and trading of various types of molds.
- III. Manufacturing, processing, and trading of electronic parts, computers, and computer parts.
- IV. Manufacturing, processing, and trading of zinc, aluminum, rubber and small hardware.
- V. General trading business (except those subject to special approval).
- VI. Quotation and tender business of domestic and international manufactures as an agent.

Article 3: The total amount of the Company's making of guarantees to others and investment in other businesses for business needs may exceed 40% of the Company's paid-in capital.

Article 4: The Company is headquartered in New Taipei City and, when necessary, may establish branches at home and abroad as resolved by the Board of Directors in accordance with the law.

Article 5: Any and all public announcements to be made by the Company shall comply with Article 28 of the Company Act.

### Chapter 2 Share

Article 6: The authorized capital of the Company is NT\$2 billion consisting of 200 million shares. The par value of each share is NT\$10, and such shares are issued in installments. Shares not yet issued are authorized to the Board of Directors to be issued.

Of the capital under Paragraph 1, an amount of NT\$60 million is reserved for the issuance of employee stock warrants; a total of 6 million shares are to be issued with a par value of NT\$10 per share, which may be issued in tranches by the resolution of the Board of Directors.

Article 7: The Company's share certificates are registered and publicly traded. The shares issued by the Company are exempted from printing, provided such shares are registered with a security depository enterprise.

Article 8: The change of name and transfer of shares shall be suspended 60 days before a general shareholders' meeting, 30 days before an extraordinary shareholders' meeting, or within five days before the Company decides to pay out dividends, bonuses, or other benefits.

### Chapter 3 Shareholders' Meeting

Article 9: Shareholders' meetings are divided into general meetings and special meetings. A general meeting shall be convened within six months after close of each fiscal year. A special meeting shall be convened when necessary in accordance with law.

Article 10: Any shareholder who is unable to attend a shareholders' meeting for any reason may appoint a proxy to attend the meeting by presenting a proxy form printed by the Company, indicating the scope of the authorization.

Article 11: Except in the no voting right circumstances set forth in Article 179 of the Company Act, a shareholder of the Company shall have one voting power in respect of each share in one's possession.

Article 12: Resolutions at a shareholders' meeting shall unless otherwise provided for in applicable laws and regulations be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares. According to the regulations, the Company's shareholders may exercise the voting power at a shareholders' meeting by way of electronic transmission. A shareholder who exercises one's voting power at a shareholders meeting by way of electronic transmission shall be deemed to have attended the said shareholders' meeting in person. The relevant matters shall be conducted in accordance with applicable laws and regulations.

Article 12-1: Matters relating to the resolutions by a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The distribution of the meeting minutes may be effected by means of a public notice.

#### Chapter 4 Board of Directors and Audit Committee

Article 13: The Company has 7-11 directors. Directors shall be elected through the candidate nomination system and by shareholders on the list of nominated candidates. Each director serves a term of three years, and may assume another term of office if reelected. The relevant matters are subject to the provisions set forth in the Company Act, the Securities and Exchange Act and applicable bylaws.

Among the number of the abovementioned directors, there shall be at least three independent directors and not less than one-fifth of the number of directors. Independent directors shall be elected through the candidate nomination system and by shareholders on the list of nominated candidates who meet the criteria for independent director. Matters regarding professional qualification, shareholdings, restrictions on concurrent positions held, determination of independence, method of nomination and election and other matters for compliance with respect to independent directors shall be subject to the regulations prescribed by the securities governing authorities.

Article 13-1: The Company shall take out liability insurance for directors during their term of office. The Board of Directors is delegated to handle the insurance coverage and insurance amounts.

Article 13-2: Pursuant to Article 14-4 of the Securities and Exchange Act, the Company has established an Audit Committee, which consists of all independent directors. The Audit Committee or Audit Committee members are responsible for carrying out the responsibilities of the supervisor prescribed in the Company Act, Securities and Exchange Act and other applicable laws and regulations.

Article 14: The Board of Directors shall be organized by the directors. The Chairman shall be elected by more than half of the directors present at a meeting of the Board of Directors attended by at least two-thirds of all directors from among themselves. The Chairman shall represent the Company externally.

Article 14-1: Meetings of the Board of Directors shall be convened by the chairman of the board, except for the first meeting of the Board of Directors of each term of the Board of Directors which shall then be convened by the director who received a

ballot representing the largest number of votes at the election of directors. In calling a meeting of the Board of Directors, a notice shall be given to each director and supervisor no later than 7 days prior to the scheduled meeting date. In the case of emergency, a meeting of the Board of Directors may be convened at any time.

The notice for the convening a meeting of the Board of Directors may be made in writing, facsimile or e-mail.

Article 15: In case the chairman of the Board of Directors is on leave or absent or cannot exercise his/her power and authority for any cause, the designation of proxies shall be handled in accordance with Article 208.

Article 15-1: In case a meeting of the Board of Directors is proceeded via videoconference, then the directors taking part in such a videoconference meeting shall be deemed to have attended the meeting in person.

Article 15-2: Except as otherwise provided in the Securities and Exchange Act, in case a director appoints another director to attend a meeting of the Board of Directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the proxy referred to in the preceding Paragraph of one other director only.

Article 16: The Board of Directors is authorized to decide the rates of remuneration to directors, based on the extent of their participation in and value of the contribution to the Company's operations and concerning industry standards.

#### Chapter 5 Managers

Article 17: The Company may have 1 president and several vice presidents in place. Their appointment, dismissal, and remuneration shall be subject to Article 29 of the Company Act.

#### Chapter 6 Accounting

Article 18: At the close of each fiscal year, the Board of Directors shall prepare (1) business report (2) financial statements and (3) a proposal of earnings distribution or recovery of losses, and they shall be submitted to the general meeting of shareholders for ratification.

Article 19: The Company may issue restricted stock awards and stock option certificates for cash capital increase. Remuneration may be distributed to the employees of subsidiaries who meet certain criteria.

Treasury shares bought back by the Company shall be transferred to employees of the subsidiaries of the Company who meet certain criteria.

The terms, conditions, and method of subscription of employees of the preceding 2 subparagraphs shall be resolved by the Board of Directors. .

Article 20: If the Company makes a profit for the year, the Company shall set aside no less than 1.5% of the profit as remuneration to employees and no more than 2% of the profit as remuneration to directors/supervisors. However, where there are accumulated losses, profits shall be set aside to cover the Company's accumulated losses.

If there is a profit for the year after the final accounts, taxes shall be paid first and past losses covered before setting 10% of the profit aside as the legal reserve. This does not apply when the legal reserve reaches the amount of paid-in capital and special reserve shall be appropriated or reserved in accordance with the law



and regulations of the competent authorities.

Under Article 240 of the Company Act, the Board of Directors is delegated to resolve any distribution of earnings in cash to be reported at the shareholders' meeting.

Where the Company issues new shares or cash from legal reserve or capital reserves by means of cash, it shall be resolved by the Board of Directors pursuant to Article 241 of the Company Act to be reported at the shareholders' meeting.

Article 20-1: The Company's development in the industry is in the stage of business expansion. Taking into account the Company's future capital needs and long-term financial planning, while satisfying shareholders' needs for cash inflows, the Company shall distribute earnings pursuant to the provisions of the preceding article. Earnings shall be distributed at a rate of not less than 50% of the earnings after tax for the year, with stock dividends ranging from 0% to 50% and cash dividends ranging from 50% 100%.

#### Chapter 7 Supplemental Provisions

Article 21: Matters not specified in the Articles of Incorporation shall be subject to the Company Act and applicable laws and regulations.

Article 22: The Articles of Incorporation was enacted on April 20, 1988.

1st amendment was made on August 11, 1993.

2nd amendment was made on October 6, 1994.

3rd amendment was made on November 18, 1997.

4th amendment was made on December 6, 1997.

5h amendment was made on December 24, 1999.

6th amendment was made on April 11, 2000.

7th amendment was made on May 19, 2000.

8th amendment was made on February 25, 2002.

9th amendment was made on May 20, 2003.

10th amendment was made on May 18, 2004.

11th amendment was made on May 18, 2004.

12th amendment was made on June 10, 2005.

13th amendment was made on June 14, 2006.

14th amendment was made on June 27, 2007.

15th amendment was made on June 13, 2008.

16th amendment was made on June 15, 2011.

17th amendment was made on June 15, 2012.

18th amendment was made on June 19, 2014.

19th amendment was made on April 26, 2016.

20th amendment was made on June 20, 2017.

21st amendment was made on June 16, 2020.

**(Appendix 3)**

**Plastron Precision Co., Ltd.**

**Procedures for the Acquisition and Disposal of Assets**

**Article I: Purpose and legal basis**

These Procedures have been established to strengthen asset management and implement information disclosure.

Unless otherwise prescribed by the laws and regulations of local governments, the acquisition or disposal of assets by the Company and subsidiaries shall be subject to these Procedures.

These Procedures are in line with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies".

**Article II: Scope of assets**

1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
5. Right-of-use assets.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9. Other major assets.

**Article III: Definition of terms**

1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.
3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Refers to a real property appraiser or other person

duly authorized by law to engage in the value appraisal of real property or equipment.

5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
6. Mainland China area investment: 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.
7. 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.
8. 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.

Article IV: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a 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, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
2. May not be a related party or de facto related party of any party to the transaction.
3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:

- I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
- II. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.

- III. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
- IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.

Article V: Investment scope and amount

Total amounts of real property and right-of-use assets thereof or securities acquired by the company and each subsidiary for business use, and limits on individual securities, as follows:

- I. The total amounts of real property and right-of-use assets thereof acquired for non-business use shall not exceed 20% of the Company's equity.
- II. The total amounts of securities acquired shall not exceed 100% of the shareholders' equity of the Company.
- III. The limit of individual securities acquired shall not exceed 30% of the shareholders' equity of the Company.
- IV. The shares held by the Company and its subsidiaries in the investees are held as directors of the respective company or as participating investors at the time of establishment. These shares shall not be included in the calculation of the total amount of securities investment and the amount of individual securities.

Article VI: Acquisition or disposal of real property, equipment or their right-to-use assets

- I. Appraisal procedures (means of price determination and supporting reference materials)
  - (I) When acquiring or disposing of real estate or its right-to-use assets, the transaction terms and price shall be determined with reference to the evaluation of present value, assessed value and actual transaction prices of nearby real properties.
  - (II) The acquisition or disposal of real estate or its right-to-use assets may be made through inquiry of price, comparison of price.
- II. Operating procedures
  - (I) Authorization amount and level
 

If the acquisition and disposal of the Company's real property, equipment, or their right-to-use assets amounting to less than NT\$2 million shall be submitted to the president for approval; if it amounts to more than NT\$12 million and less than NT\$100 million, it shall be submitted to the chairman for approval; if it amounts to more than NT\$50 million, it shall be reported at the next Board of Directors meeting; if it amounts to more than NT\$100 million, it shall be submitted to the next Board of Directors meeting for approval.
  - (II) Executive unit
 

The Company's executive unit for the acquisition and disposal of the Company's real property, equipment, or their right-to-use assets is the user department and the related authority units.
  - (III) Transaction amount
    1. The acquisition of the Company's real property, equipment, or their right-to-use assets: All units shall prepare a capital expenditure plan in advance and conduct a feasibility assessment. The plan then shall be submitted to the financial unit for creating a budget for capital

expenditure and shall be implemented and controlled according to the content of the plan.

2. Disposal of real property, equipment, or their right-to-use assets: The user shall fill in an application form or submit a special project stating the reason, method of disposal for approval.
3. All real properties and equipment shall be insured after acquisition to prevent losses.
4. All assets shall be registered, managed and used in accordance with the "Rules for Managing Property, Plant and Equipment" after acquisition.

III. Valuation report of acquisition or disposal of real property, equipment or their right-to-use assets

In acquiring or disposing of real property, equipment, or their right-to-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:

- (I) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
- (II) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
- (III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
  1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
  2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.
- (IV) 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.

Article VII: Acquisition or disposal of securities

- I. Appraisal procedures (means of price determination and supporting reference materials)
  - (I) For the acquisition or disposal of securities that are traded over a centralized exchange market or at a securities firm's place of business, it shall be determined by the prevailing price of the shares or bonds at the time.
  - (II) For the acquisition or disposal of securities that are not traded over a centralized exchange market or at a securities firm's place of business, it shall be determined by taking the net worth per share, profitability, future development potential, market interest rates, coupon rates of bonds, debtor's credit and the prevailing price at the time into account.
  - (III) The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price.
- II. Operating procedures
  - (I) Authorization amount and level  
The acquisition and disposal of securities classified as current assets in the Company's financial statements shall be approved by the chairman. The acquisition and disposal of securities that are not current assets in the Company's financial statements shall be approved by the chairman. Those reaching NT\$50 million or more shall be reported at the next meeting of the Board of Directors; those reaching NT\$100 million or more shall be approved by the meeting of the Board of Directors.
  - (II) Executive unit  
The Company's executive unit for securities investments is the financial unit.
  - (III) Transaction amount
    - 1. The acquisition or disposal of marketable securities shall be evaluated by the executive unit.
    - 2. Investments in securities in the assets shall be registered by the accounting unit and kept in a safe deposit box by the financial unit.
    - 3. If an equity investment or convertible bonds are original stock options or subscriptions, the Company shall acquire securities with the Company being an investor within 30 days from the date of the investee can issue stocks or bonds in accordance with the Company Act. If the acquisition is by means of transfer, the transfer of equity shall be completed immediately.
- III. Expert opinion  
If the amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by

regulations of the Financial Supervisory Commission (the FSC).

Article VIII: Acquisition or disposal of intangible assets or their right-to-use assets or memberships

I. Appraisal procedures (means of price determination and supporting reference materials)

When acquiring or disposing of intangible assets or their right-to-use assets or memberships, the transaction terms and transaction price should refer to the fair market value or evaluation report of experts. An analysis report shall be prepared and submitted to the authority supervisor for approval.

II. Operating procedures

The authorized amount, level, executive unit and transaction procedures for the acquisition or disposal of intangible assets or their right-to-use assets or memberships shall be subject to Paragraph 3, Article 6.

III. Expert opinion

Where the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.

Article IX: Acquisition or disposal of claims of financial institutions

In principle, the Company does not engage in acquisition or disposal of claims of financial institutions. Where the Company wishes to engage in acquisition or disposal of claims of financial institutions, it shall first submit to the Board of Directors for approval and then establish its evaluation and operating procedures.

Article X: The amount of transactions of Articles 6 to 8 shall be calculated as follows:

1. The amount of any individual transaction.
2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

The "within the preceding year" as used in the preceding paragraph 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 in accordance with these Procedures need not be counted toward the transaction amount.

Article XI: 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 opinion.

Article XII: Related party transaction

- I. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the company's total assets, the company shall also obtain an appraisal report from a professional

- appraiser or a CPA's opinion in compliance with the provisions of Articles 6 to 8.
- II. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 10 herein. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.
  - III. When the Company intends to acquire or dispose of property or their right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than property or right-of-use assets from or to a related party and the transaction amount reaches 20 percent or more of the paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and Board of Directors:
    - (I) The purpose, necessity, and expected benefits for the acquisition and disposal of assets;
    - (II) The reason for having the related party selected as the counterparty;
    - (III) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with these Procedures.
    - (IV) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.
    - (V) The monthly cash receipts and payments forecast in the coming year starting from the contracting month, and assessing the necessity of the transaction and the rationality of the use of funds;
    - (VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the first paragraph.
    - (VII) The restrictions and other important agreed matters of this transaction.
  - IV. The calculation of the transaction amounts referred to in Paragraph 3 and preceding paragraph shall be made in accordance with Paragraph 1, Article 10, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Audit Committee and the Board of Directors need not be counted toward the transaction amount.
  - V. For the following transactions conducted between the Company and the parent company and subsidiaries or between subsidiaries that are with 100% shareholding or total capital stock held directly or indirectly by the company, the chairman may be authorized to make a discretionary decision for an amount within NT\$100 million, and then report it in the most recent meeting of the Board of Directors afterward for approval:
    - (I) Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
    - (II) Acquisition or disposal of real property right-of-use assets held for business use.
  - VI. When submitting to the Board of Directors for discussion under these



provisions, the opinions of each independent director shall be fully considered. If the independent director has had any objection or reservation, it shall be stated in the meeting of the Board of Directors minutes.

- VII. Discussions by the Audit Committee under the Procedures shall be approved by the majority of the Audit Committee and submitted to the Board of Directors for resolution.
- VIII. If the approval of one-half or more of all Audit Committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.
- IX. The terms "all audit committee members" in the paragraph 7 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.
- X. Evaluation procedure I
  - (I) The Company that acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:
    - 1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
    - 2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.
  - (II) Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding item.
  - (III) The Company acquiring real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the preceding two items shall engage a CPA to check the appraisal and render a specific opinion.
  - (IV) Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with Paragraphs 3 to 9 of the Article, and the preceding three items do not apply:
    - 1. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
    - 2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.

3. The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.
4. The real property, equipment, right-to-use assets for business use are acquired by the Company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.

XI. Evaluation procedure II

- (I) When the results of the Company's appraisal conducted in accordance with items 1 and 2 of the preceding paragraph are uniformly lower than the transaction price, the matter shall be handled in compliance with Paragraph 12. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:
  1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
    - (1) Where undeveloped land is appraised in accordance with the means in the preceding paragraph, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
    - (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
  2. Where the Company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.
- (II) Completed transactions involving neighboring or closely valued parcels of land in the preceding item in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of

the real property or obtainment of the right-of-use assets thereof.

#### XII. Evaluation procedure III

- (I) Where Company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two paragraphs are uniformly lower than the transaction price, the following steps shall be taken:
  1. For the difference between the transaction price and assessed cost of the property and its use-of-right assets, a special reserve shall be appropriated in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act, and it shall not be distributed or capitalized with stock shares distributed. Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.
  2. The independent directors of the Audit Committee shall handle the matter in accordance with Article 218 of the Company Act.
  3. Actions taken pursuant to 1. and 2. shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.
- (II) The Company that has set aside a special reserve under the preceding item may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.
- (III) When the Company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the preceding two items if there is other evidence indicating that the acquisition was not an arms length transaction.

#### Article XIII: Engagement in derivatives trading

- I. Transaction principle and policy
  - (I) Type of transaction: The Company may undertake all derivative transactions included in the definitions of Paragraph 1 Article 3.
  - (II) Business (hedging) strategy: Engagement in derivative transactions may only be performed under the principle of hedging or non-trading purposes.
  - (III) Division of authority: The chairman is responsible for the approval of the execution of transactions. The Finance Supervisor or designated financial transaction officer shall be responsible for the conclusion of transactions; the personnel designated by the chairman shall be responsible for the confirmation of transactions; the accounting personnel shall be responsible for the recording of transactions; the cashier shall be responsible for clearing and settlement; the personnel of the chairman's office shall be responsible for the measurement, supervision and control of risks.
  - (IV) Performance evaluation points: Derivatives trading positions held

- shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the Board of Directors.
- (V) Total amount of contracts: The total amount of the Company's derivative contracts shall not exceed the scope of its business needs and all amounts shall be fully hedged.
  - (VI) The ceiling for losses for all contracts and each individual contract: The ceiling for losses for all contracts is 20% of the Company's net worth; the ceiling for losses for each individual contract is 20% of the individual contract amount.
- II. Risk management measures
- (I) Credit risk management: The counterparties of derivative transactions must be financial institutions with good credits that have business dealings with the Company.
  - (II) Market price risk management: The open foreign exchange markets provided by the bank are the main focus.
  - (III) Liquidity risk management: To ensure the liquidity of the market, financial products with higher liquidity are selected (e.g., readily available in the market for rolling over). The financial institution entrusted with transactions must have sufficient information and the ability to trade in any market at any time.
  - (IV) Cash flow risk management: Sufficient current assets shall be maintained to respond to the needs for capital in settlement.
  - (V) Operational risk management
    1. The Company's authorization amount and operating procedures shall be thoroughly followed and incorporated in internal audits to avoid operational risks.
    2. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.
    3. Risk measurement, monitoring, and control personnel shall be assigned to a different department than the personnel in 2. mentioned above and shall report to the Board of Directors or senior management personnel with no responsibility for trading or position decision-making.
  - (VI) Legal risk management: Prior to formally signing documents with financial institutions, they shall be reviewed by specialized personnel such as the foreign exchange unit and legal affairs or legal advisors, to avoid legal risks.
- III. When the Company engages in derivatives trading, its Board of Directors shall faithfully supervise and manage such trading in accordance with the following principles:
- (I) Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.
  - (II) Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the company's permitted scope of tolerance.
- IV. Senior management personnel authorized by the Board of Directors shall

manage derivatives trading in accordance with the following principles

- (I) Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” and these Procedures for engaging in derivatives trading formulated by the Company.
  - (II) When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the Board of Directors; an independent director shall be present at the meeting and express an opinion.
- V. The personnel authorized to engage in derivative transactions shall report to the Board of Directors afterwards.
  - VI. When the Company engages in derivatives trading, it shall establish a log book in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval dates, and the matters required to be carefully evaluated under Item 4 of Paragraph 4, Item 2 of Paragraph 3 and Item 1 of Paragraph 4 shall be recorded in detail in the log book.
  - VII. Internal audit system: The Company’s internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, the Audit Committee shall be notified in writing.

Article XIV: Merger, demerger, acquisition, or transfer of shares.

- I. When the Company conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the Board of Directors to resolve on the matter, it shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the Board of Directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the public company directly or indirectly holds 100 percent of the respective subsidiaries’ issued shares or authorized capital.
- II. The Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply. Where the shareholders meeting of any one of the companies

participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the Company shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

- III. A company participating in a merger, demerger, or acquisition shall convene a Board of Directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.
- IV. A company participating in a transfer of shares shall call a Board of Directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.
- V. The Company shall prepare a full written record of the following information and retain it for 5 years for reference:
  - (I) Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
  - (II) Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a Board of Directors meeting.
  - (III) Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings.
- VI. The Company shall, within 2 days counting inclusively from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in Items 1 and 2 of the preceding paragraph to the FSC for recordation.
- VII. Where the Company participates in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of the preceding two paragraphs.
- VIII. Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.
- IX. Transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the

merger, demerger, acquisition, or transfer of shares:

- (I) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
  - (II) An action, such as a disposal of major assets, that affects the company's financial operations.
  - (III) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
  - (IV) An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
  - (V) An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
  - (VI) Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.
- X. The contract for participation by the Company in a merger, demerger, acquisition, or of shares shall record the rights and obligations of the participating companies, and shall also record the following:
- (I) Handling of breach of contract.
  - (II) Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
  - (III) The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
  - (IV) The manner of handling changes in the number of participating entities or companies.
  - (V) Preliminary progress schedule for plan execution, and anticipated completion date.
  - (VI) Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.
- XI. After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the Board of Directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.
- XII. Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Paragraphs 3-8 and Paragraph 11.

Article XV: Information disclosure

- I. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:
  - (I) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
  - (II) Merger, demerger, acquisition, or transfer of shares.
  - (III) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in these Procedures adopted by the Company.
  - (IV) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million or more.
  - (V) Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.
  - (VI) Where an asset transaction other than any of those referred to in the preceding five items, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided. This shall not apply to the following circumstances:
    1. Trading of domestic government bonds.
    2. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- II. The calculation method of the transaction amount in the preceding paragraph shall be subject to the provisions of Article 10. Items that have been announced in accordance with the provisions need not be counted toward the transaction amount.
- III. The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.
- IV. When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced



and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.

- V. The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.
- VI. Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:
  - (I) Change, termination, or rescission of a contract signed in regard to the original transaction.
  - (II) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
  - (III) Change to the originally publicly announced and reported information.

Article XVI: Provisions acquisition or disposal of assets by subsidiaries

- I. The Company shall supervise the subsidiaries to implement the Procedures for the Acquisition and Disposal of Assets in accordance with the “Regulations Governing the Acquisition and Disposal of Assets” and the provisions of these Procedures.
- II. The acquisition or disposal of assets by the Company’s subsidiaries is subject to the Company’s “Procedures for the Acquisition and Disposal of Assets”. The subsidiaries are not required to establish their Procedures for the Acquisition and Disposal of Assets.
- III. Information required to be publicly announced and reported in accordance with the provisions of Article 15 on acquisitions and disposals of assets by the Company’s subsidiary that is not itself a public company in Taiwan shall be reported by the Company.
- IV. The paid-in capital or total assets of the Company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing under Paragraph 1 Article 15 of the Procedure.

Article XVII: Implementation and Amendment

- I. After these Procedures have been approved by the Audit Committee, it shall be submitted to the Board of Directors for resolution and submitted to the shareholders’ meeting for approval. The same applies to any amendment. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director’s dissenting opinion to each independent director.
- II. When the “Procedures for the Acquisition and Disposal of Assets” is reported to the Board of Directors for discussion, the opinions of each independent director shall be fully considered. If the independent director has had any objection or reservation, it shall be stated in the meeting of the Board of Directors minutes.

III. The establishment of or amendment to the Procedure is subject to the provisions in Paragraphs 7 to 9 of Article 12.

Article XVIII: Other matters

- I. Where the relevant personnel violate the Operational Procedure or other laws or regulations, the Company may impose a warning, demerit, demotion, suspension, salary reduction or other penalties depending on the severity of the situation, which will be included as an internal review matter.
- II. Any doubt with respect to the appropriateness or applicability of the Operational Procedures shall be subject to the applicable laws and regulations. If not set forth by law and regulations, the Board of Directors of the Company shall carry out a discussion on the matter.
- III. With respect to the Company's acquisition or disposal of assets that is subject to the approval of the Board of Directors under these Procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the director's dissenting opinion to each independent director.
- IV. When a transaction of acquisition and disposal of assets is reported to the Board of Directors for discussion under the preceding paragraph, the opinions of each independent director shall be fully considered. If the independent director has had any objection or reservation, it shall be stated in the meeting of the Board of Directors minutes.
- V. The Company's acquisition or disposal of assets are subject to the provisions of these Procedures. Matters not specified in these Procedures shall be governed by applicable laws and regulations.

Article XIX: These Procedures were established on May 19, 2000.

1st amendment was made on May 24, 2002.

2nd amendment was made on May 20, 2003.

3rd amendment was made on June 27, 2007.

4th amendment was made on June 15, 2010.

5th amendment was made on June 15, 2012.

6th amendment was made on June 19, 2014.

7th amendment was made on April 26, 2016.

8th amendment was made on June 20, 2017.

9th amendment was made on May 7, 2019.

10th amendment was made on June 16, 2020.

**(Appendix 4)**

**Plastron Precision Co., Ltd.**

**Measures for the Election of Directors**

Article 1: The election of directors of the Company shall be governed by the Measures, unless otherwise specified in the Company Act and the Articles of Association of the Company.

Article 2: The candidate nomination system is adopted for the election of directors of the Company, and shareholders shall elect electors from the list of director candidates through registered voting.

The registered name of the elector may be replaced by the shareholder account number or attendance card number printed on the election ballot.

For the election of directors of the Company, unless otherwise specified in the Articles of Association, each share has the same number of voting rights as the number of directors to be elected, and the votes may be given to only one person or several people.

Independent directors and non-independent directors shall be elected together, and the number of elected seats should be counted separately.

The qualifications of independent directors shall comply with the provisions of the Securities and Exchange Act and relevant laws and regulations.

Article 3: The number of directors to be elected shall be the same as that specified in the Company's Articles of Association, and those receiving the highest numbers of voting rights shall be elected sequentially as independent directors or non-independent directors according to their respective numbers of votes won. If two or more persons have the same number of votes but the specified number of persons to be elected is exceeded, the winners shall be determined by lot drawing, and the lots of the ones not present shall be drawn by the chairman on their behalf.

Unless approved by the competent authority, not more than half of the seats of the Company's directors shall have any of the following relationships:

1. Spouse.
2. Relatives within the second degree of kinship.

When the Company convenes a shareholders' meeting to elect directors, if the original elected person does not comply with the provisions of the preceding paragraph, the election of the non-compliant directors with lower voting rights won shall have no validity.

Article 4: At the beginning of the election, the chairman shall designate a number of scrutineers and vote counters to perform various relevant tasks.

Article 5: The ballot box shall be prepared by the board of directors, and shall be opened by the scrutineer in public for verification before voting.

Article 6: The election ballots shall be prepared and issued by the Company, and shall be numbered according to the shareholder's account number or attendance card number, with the voting rights added.

Article 7: If the electee is a shareholder, the elector shall fill in the electee's account name and shareholder account number in the electee fields of the ballot; if the electee is not a shareholder, the electee's name and identification document number shall

be filled in. However, when a legal person shareholder is the electee, the name of the electee on the ballot shall be filled in with the name of the legal person, or the name of the legal person and the name of its representative; when there are several representatives, the names of the representatives shall be added separately.

Article 8: An election ballot is invalid under any of the following circumstances:

1. The ballot is not prepared in accordance with the provisions of the Measures.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and unreadable.
4. The candidate whose name is entered on the ballot is a shareholder and his/her account name and shareholder account number does not conform to those in the shareholder registry, or the candidate whose name is entered on the ballot is not a shareholder and does not conform to the name and identity card number provided.
5. In addition to filling in the account name (name) or shareholder account number (identification document number) of the electee and the number of voting rights allocated, there are irrelevant texts included.
6. The name of the electee filled in is the same as that of another shareholder, and the shareholder account number or identification document number is not filled in for identification purposes.
7. Two or more candidates are listed on the same ballot.

Article 9: The voting rights shall be calculated on-site immediately after the end of the voting, and the results of the calculation shall be announced by the chairman on the spot.

Article 10: The Company shall issue the notice of election winning to the elected directors.

Article 11: (deleted).

Article 12: Matters not specified in the Measures shall be handled in accordance with the Company Act and relevant law and regulations.

Article 13: Implementation and amendment dates

The Measures shall come into force after the resolution of the board meeting and approval of the shareholders' meeting, and the same shall apply to the amendments.

Date of establishment: June 28, 2001

Date of 1st amendment: May 24, 2002

Date of 2nd amendment: June 27, 2007

Date of 3rd amendment: June 20, 2017

Date of 4th amendment: June 16, 2020

**(Appendix 5)**

## Plastron Precision Co., Ltd.

## Shareholding of directors

The total number of shares issued by the Company on April 14, 2023 was 149,867,531 shares, and three independent directors were elected. According to the provisions set forth in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, the minimum number of shares to be held by all non-independent directors of the Company is 8,992,051 shares. As of April 14, 2023, the total number of shares held by all non-independent directors was 30,412,459 shares. Therefore, as of the book closure date of the shareholders’ meeting, the shareholding of all directors other than the independent directors as recorded in the roster of shareholders met the criteria for the number of shares required as set forth in Article 26 of the Securities and Exchange Act. Please refer to the following table:

Position	Name	Date elected	Shareholding while elected		Shareholding on April 14, 2023	
			Shares	Shareholding ratio	Shares	Shareholding ratio
Chairman	Chuntian Investment Co., Ltd. Representative Chen Wen-Chien	June 16, 2020	20,455,644	13.64%	20,455,644	13.64%
Director	Kuan-Chu Investment Co., Ltd.	June 16, 2020	9,298,069	6.20%	9,298,069	6.20%
Director	Kuo Chao-Chen	June 16, 2020	658,597	0.44%	658,597	0.44%
Director	Wu Jian-Dong	June 16, 2020	149	0%	149	0%
Shareholding of non-independent directors					30,412,459	20.28%
Independent Director	Chen Wen-Yu	June 16, 2020	42,110	0.03%	42,110	0.03%
Independent Director	Hsieh Fang-Chu	June 16, 2020	0	0%	0	0%
Independent Director	Lu Fu-Qi	June 16, 2020	0	0%	0	0%
Shareholding of independent directors					42,110	0.03%
Shareholding of all directors					30,454,569	20.31%