

# **ITEQ CORPORATION**

## **Articles of Incorporation**

### **Chapter I General Provisions**

- Article 1 The Corporation shall be incorporated, as a company limited by shares, under the Company Act, and its name shall be 聯茂電子股份有限公司 in Chinese, and ITEQ Corporation in English.
- Article 2 The scope of business of the Corporation shall be as follows:
- I. Manufacturing, processing and trading of semi-finished and finished products for electronic materials for multilayer printed circuit board and copper clad laminates.
  - II. Import and export trade of manufacturing equipment of products aforementioned in the preceding paragraph.
  - III. CC01080 Manufacturing electronic parts and components.
  - IV. F119010 Wholesale of electronic materials
  - V. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Corporation shall have its head office in Hsinchu County, Taiwan, Republic of China, and may establish branches at home or abroad if necessary by resolution of the Board of Directors.
- Article 4 Public announcements of the Corporation shall be made in accordance with Article 28 of the Company Act.
- Article 4-1 The total amount of the Corporation's external reinvestments may exceed 40% of the paid-in capital, as resolved by the Board of Directors.

### **Chapter II Shares**

- Article 5 The Corporation's capital is NT\$5 billion (including NT\$50 million in employee stock warrants), divided into 5 billion shares at NT\$10 per share. The unissued shares are authorized to be issued by the Board of Directors in several tranches. If the Corporation intends to cancel a public offering, the Corporation shall not proceed with such cancellation until a resolution of the shareholders' meeting has been passed, in addition to the approval of the Board of Directors.
- Article 5-1 The Corporation may issue employee stock option certificates at a price lower than the closing price of the Corporation's stock on the date of issuance or transfer them to employees at a price lower than the average price of actual purchases of treasury stock, provided that two-thirds of the shareholders present, representing a majority of the total number of shares outstanding, approve the transfer. The Corporation's treasury stock acquired under the Company Act may be transferred to the employees of parents or subsidiaries of the Corporation who meet certain criteria. The Corporation's employee stock option certificates are issued to those employees of parents or subsidiaries of the Corporation who meet certain criteria. Where the Corporation issues new shares, the employees eligible for share subscription shall include the employees of parents or subsidiaries of the Corporation who meet certain criteria.

The Corporation's restricted stock awards are issued to those employees of parents or subsidiaries of the Corporation who meet certain criteria.

Article 6 The Corporation's shares are registered securities, in which the signed shares need to be signed or sealed by the director(s) of board representing the Corporation and certified by a competent authority or its authorized issuer prior to being issued. The Corporation may also be exempted from printing any share certificate for the shares issued, but the Corporation shall appoint a centralized securities custody enterprise/ institution to make recordation of the issue of such shares.

Article 7 Shareholders shall provide on file their specimen chop to the Corporation for recordation and use the same specimen chop to claim dividends and bonuses or exercise the rights thereof. The transfer, gift, establishment and termination of pledge right, loss, damage or other matters of shares shall be handled in accordance with the Taiwan "Regulations Governing the Administration of Shareholder Services of Public Companies" and the relevant laws and regulations.

Article 8 The Corporation shall not handle any requests for transfers of shares within 60 days prior to the regular shareholders' meeting, 30 days prior to the special shareholders' meeting, or 5 days prior to the record date for the distribution of dividends, bonuses or other interests.

### **Chapter III: Shareholders' Meetings**

Article 9 The Corporation's shareholders' meetings are of two kinds listed below:

- I. Regular shareholders' meeting: to be held within six months after the end of each fiscal year.
- II. Special shareholders' meeting: to be held when necessary, in accordance with the relevant laws and regulations.

Article 10 The shareholders' meetings shall be presided by the Chairperson of the Board. If the Chairperson of the Board of Directors is absent from office or unable to perform his or her duties and responsibilities for any reason, the Vice Chairperson of the Board of Directors shall act on his or her behalf. If the Vice Chairperson of the Board of Directors is absent from office or unable to perform his or her duties and responsibilities for any reason, he or she shall designate one of the Directors to act on his or her behalf. In the event that no such person is appointed, the Directors of the Board shall appoint one from amongst themselves.

Article 11 Notice shall be given to the shareholders at least 30 days prior to a regular shareholders' meeting, and at least 15 days prior to a special shareholders' meeting, stating the date, place, and purpose of convening the meeting.

The Corporation's shareholders' meeting may be held by means of video conference or other methods promulgated by the central competent authority. The requirements, procedures, and other rules to be complied with when holding a shareholders' meeting via video conference shall be subject to the provisions set forth by the competent authority in charge of securities affairs.

Shareholders who participate in the shareholders' meeting via video conference shall be deemed to be present in person; the Corporation shall obtain video conference services from an outside provider.

Article 12 The following matters of the Corporation shall be resolved by shareholders' meetings:

- I. The amendments to the Articles of Incorporation.
- II. The increase/decrease in the Corporation's total capital.
- III. The combination with or acquisition of other corporations.
- IV. Discretionary management.
- V. The dissolution or liquidation of the Corporation.
- VI. Election of Directors of the Board
- VII. The amendments to shareholders' stock dividends and the percentage of employees' compensation.
- VIII. Other matters to be resolved by shareholders' meetings according to any other law or regulation.

Article 13 If the shareholders cannot attend the shareholders' meeting for reasons, they shall issue the Corporation printed and distributed letters of entrustment indicating the scope of authorization to entrust agents to attend in accordance with the Company Act and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" issued by the competent authority. The voting power at a shareholders' meeting may be exercised by way of electronic means. Attendance via electronic means is deemed to be attendance in person, and the related matters thereof shall be handled in accordance with the relevant laws and regulations.

Article 14 Unless otherwise provided for by laws and regulations, each shareholder of the Corporation shall have one vote per share.

Article 15 Unless otherwise provided for in the Company Act, resolutions shall be adopted by a large majority representing over one-half of the votes at a meeting attended by shareholders representing a majority of the total number of issued shares. Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes, specifying the date and place of the meeting, the number of shareholders present, the number of shares represented, the number of voting rights, the name of the meeting chairperson, the resolution items and the resolution methods thereto. The meeting minutes shall be signed or sealed by the Chairperson of Board or shareholders' meeting chairperson, and shall be retained on the Corporation's Board of Directors together with the attendance book and sign-in cards of the attending shareholders and letters of authorization for attendance. The meeting minutes shall be distributed to shareholders within 20 days after the meeting, the distribution of which may be made by public announcement.

#### **Chapter IV Directors of Board, Audit Committee and Managerial Officers**

Article 16 The Corporation shall have seven to ten Directors, and the number of Directors shall be determined by the Board of Directors.

Elections of the Corporation's Directors shall be conducted in accordance with the candidate nomination system set out in Article 192-1 of the Company Act. The Directors shall be elected from the director nominees listed in the roster of Director candidates at the shareholders' meeting. The method and announcement of director

candidate nomination shall be processed in accordance with the relevant laws and regulations of the Company Act and the Securities and Exchange Act. The election of independent directors and non-independent directors shall be held concurrently, provided that the number of independent directors and non-independent directors elected shall be calculated separately.

Directors shall hold office for three years; re-elected Directors are entitled to serve consecutive terms.

The directors shall comply with the rules of the securities competent authority concerning minimum share ownership.

The Corporation may purchase liability insurances for the Directors of the Board to protect them against potential liabilities arising from performing their duties within their executive business scopes in accordance with the law, and authorize the Board of Directors to purchase said liability insurances in connection therewith.

Article 16-1 Among the prior number of Directors of the Board, the number of Independent Directors shall be no less than 3 and one-fifth of the number of seats of Directors. The professional qualifications, restrictions on shareholdings and concurrent positions held, the method of nomination and election of the independent directors, and other related matters to abide by shall comply with applicable laws and regulations prescribed by the security's competent authority.

The Corporation shall have an Audit Committee pursuant to Article 14-4 of the Securities and Exchange Act, which shall consist of all Independent Directors, no less than three in number, one of whom shall be the committee convener and at least one of whom shall have accounting or financial expertise.

Article 17 (deleted)

Article 18 The Corporation's Board of Directors shall have a Chairperson and may have a Vice Chairperson, who shall be elected by the Directors from amongst themselves. The Chairperson of the Board shall preside the Board meetings and externally represent the Corporation.

Article 19 A meeting of the Board of Directors shall be convened by the Chairperson of the Board. Said meeting shall be presided over by the Chairperson of the Board of Directors. If the Chairperson of the Board is unable to convene said meeting for any reason, the Vice Chairperson of the Board of Directors shall do so on his or her behalf. However, if the Vice Chairperson of the Board of Directors is unable to convene said meeting within 7 days from the date when said meeting is necessary or is unable to exercise his or her authority for any reason, one of the Directors designated in advance by the Chairperson of the Board of Directors shall do so on his or her behalf, or if no such person is designated, one of the Directors shall be elected from amongst themselves to convene said meeting.

In the event of a video conference for said meeting, Directors attending said meeting by video are deemed to be attending in person. If a Director is unable to attend a board meeting in person for any reason, he/she may appoint another Director to act as on his/her behalf by issuing a letter of authorization and listing the scope of authority for convening the meeting. A Director may only be

appointed to act on behalf of one other Director.

In convening a meeting of the Corporation's Board of Directors, a notice shall be given to each director 7 days in advance of the scheduled meeting date. But in case of emergency, said meeting may be convened at any time.

The preceding notice to convene said meeting shall be delivered to each Director via mail, email, or fax.

Article 20

A meeting of the Board of Directors shall be held quarterly by Directors thereof, with functions and duties as follows:

- I. Resolving domestic and foreign investment proposals.
- II. Preparing and amending the Corporation's important statutes and organization regulations.
- III. Electing the Chairperson and Vice Chairperson of the Board of Directors.
- IV. Approving the appointment and dismissal of the General Manager and Deputy General Manager.
- V. Examining and approving budgets and final accounts.
- VI. Making decisions on matters regarding loans.
- VII. Recommending to the shareholders' meeting proposals for amendments to the Articles of Incorporation, change in capital, dissolution, or merger of the Corporation.
- VIII. Recommending the shareholders' meeting the proposals for distribution of profits and covering of losses.
- IX. Resolving the distribution of cash dividends.
- X. Selecting certified public accountants.
- XI. Performing other functions and duties conferred by the Company Act or by the resolutions made at the shareholders' meeting.
- XII. Establishing and abolishing branches.
- XIII. Being entitled to establish auditing, nomination, risk management committees or other functional committees for the needs of business operations.
- XIV. Formulating operating policies, reviewing and supervising the implementation of business plans.
- XV. Convening shareholders' meetings.
- XVI. Other functions and duties conferred by the provisions prescribed by the Company Act or by the shareholders at the shareholders' meeting.

Article 21

Except as otherwise provided by the Company Act, a resolution of the Board of Directors shall be adopted by a majority of the Directors present at a board meeting, occupying more than half seats of the Board of Directors. However, the following matters shall be subject to the approval of two-thirds of the Directors present at a board meeting, occupying more than half seats of the Board of Directors.

- I. Resolving domestic and foreign investment proposals.
- II. Examining and approving budgets and final accounts.
- III. The provisions relating to minutes of shareholders' meeting are applicable,

mutatis mutandis, to the meeting minutes of the Board of Directors.

Article 22 (deleted)

Article 23 (deleted)

Article 24 The Board of Directors is authorized to decide the compensation to all Directors based on the degree of their participation in and contribution to the operations of the Corporation and referred at a rate consistent with general practices in the industry.

Article 25 The Corporation may have several managerial officers. Their appointment, dismissal, and compensation shall be subject to Article 29 of the Company Act.

#### **Chapter V Accounting**

Article 26 The Corporation's fiscal year shall commence on January 1 and end on December 31 of each year. Upon closing of each fiscal year, the Board of Directors shall prepare the following tables and documents and submit the same for adoption at the annual general shareholders' meeting according to the law:

- I. Business report.
- II. Financial statements.
- III. Proposals for profit distribution or deficit compensation. distribution of profits and covering of losses

Article 27 In case the Corporation makes a profit during a fiscal year, no less than 2% of said profit shall be set aside for employees' compensation. Of the total amount set aside for employee compensation, no less than 5% shall be distributed to entry-level employees. The Board of Directors shall resolve whether to distribute said compensation in shares or cash. Recipients of said compensation may include the employees of parents or subsidiaries of the Corporation who meet certain criteria. The Board of Directors is authorized to determine the criteria and the method of distribution. The Corporation allows the Board of Directors to set aside no more than 2% of the amount of the foregoing profit as Directors' compensation. The proposal of distributing employees' and Directors' compensation shall be reported to the shareholders' meeting.

However, if the Corporation still has accumulated losses, it shall pre-reserve the amount to offset the loss and then set aside the compensation of employees and Directors in accordance with the percentages in the preceding paragraph.

Article 27-1 If the Corporation's earnings are present after the closing of a fiscal year, they shall be distributed in accordance with the following order:

- I. Payment of taxes required by law.
- II. Offsetting the accumulated losses.
- III. Setting aside 10% of said earnings as legal reserve. Where such legal reserve amount is equivalent to the total paid-in capital, this provision shall not apply.
- IV. Appropriating or reversing the special reserve as provided by laws or by competent authority regulations.
- V. Except for discretionary retention of earnings, the remaining balance, together with the accumulated undistributed earnings, shall be resolved by

the shareholders' meeting after the Board of Directors has prepared a proposal for the distribution of earnings.

When setting aside the special reserve according to law, for any insufficient amount for the "cumulative amount of net increase in fair value of investment properties" and "cumulative amount of net decrease in other equity", a special reserve of the same amount shall be set aside from the undistributed retained earnings of the previous period prior to the distribution of earnings. If there is still any insufficient amount, allocate it from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period.

The Corporation is in a growth phase, so the amount of dividends to shareholders will be determined by taking into account factors, such as the Corporation's current and future investment environment, capital requirements, domestic and international competition, and future capital expenditures and working capital planning, as well as the interests of shareholders and balancing dividends with the Corporation's long-term financial planning, wherein no less than 20% of the earnings to be distributed shall be cash dividends.

The Corporation authorizes the distributable dividends and bonuses, or legal reserve and special reserve, specified in paragraph 1 of this Article, in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of Directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting without the need to request for ratification by shareholders.

Article 28 The distribution of dividends to shareholders shall be limited to those shareholders whose names appear on the shareholders' list five days prior to the record date on which the dividend and bonus are determined to be distributed.

#### **Chapter VI Supplemental Provisions**

Article 29 The Corporation may provide endorsement and guarantee and act as a guarantor in accordance with government regulations.

Article 30 Any matters not covered by these Articles of Incorporation shall be governed by the provisions of the Company Act.

Article 31 (deleted)

Article 32 These Articles of Incorporation were formulated by the promoters' meeting with the consent of all the promoters on March 24, 1997 and come into force on the date of approval and registration by the competent authority.

The 1st amendment was made on August 11, 1997.

The 2nd amendment was made on July 9, 1998.

The 3rd amendment was made on June 16, 2000.

The 4th amendment was made on July 25, 2000.

The 5th amendment was made on May 25, 2001.

The 6th amendment was made on December 28, 2001.

The 7th amendment was made on June 12, 2002.

The 8th amendment was made on October 22, 2002.  
The 9th amendment was made on June 12, 2003.  
The 10th amendment was made on February 13, 2004.  
The 11th amendment was made on May 4, 2004.  
The 12th amendment was made on June 16, 2005.  
The 13th amendment was made on June 15, 2006.  
The 14th amendment was made on June 15, 2007.  
The 15th amendment was made on June 13, 2008.  
The 16th amendment was made on June 16, 2009.  
The 17th amendment was made on June 18, 2010.  
The 18th amendment was made on June 17, 2011.  
The 19th amendment was made on June 6, 2012.  
The 20th amendment was made on June 14, 2013.  
The 21st amendment was made on June 18, 2015.  
The 22nd amendment was made on June 15, 2016.  
The 23rd amendment was made on June 15, 2018.  
The 24th amendment was made on June 13, 2019.  
The 25th amendment was made on June 16, 2020.  
The 26th amendment was made on July 2, 2021.  
The 27th amendment was made on June 14, 2022.  
The 28th amendment was made on May 26, 2025.  
Effective from the resolution of the shareholders' meeting, and upon amendment.