

Shinkong Textile Co., Ltd.

Articles of Incorporation

**Chapter I General Principles**

Article 1: The Company shall be incorporated in accordance with the provisions on the company limited by shares of the Company Act, and its name shall be "新光紡織股份有限公司." Its English name is SHINKONG TEXTILE CO., LTD.

Article 2: The businesses of the Company are as follows:

- |        |         |   |
|--------|---------|---|
| I.     | C302010 | Weaving of Textiles   |
| II.    | C305010 | Printing, Dyeing, and Finishing   |
| III.   | C306010 | Wearing Apparel   |
| IV.    | C399990 | Other Textile and Products Manufacturing  |
| V.     | F102030 | Wholesale of Tobacco and Alcohol  |
| VI.    | F104110 | Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories                |
| VII.   | F106020 | Wholesale of Daily Commodities  |
| VIII.  | F108040 | Wholesale of Cosmetics  |
| IX.    | F109070 | Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies   |
| X.     | F203020 | Retail Sale of Tobacco and Alcohol  |
| XI.    | F204110 | Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories              |
| XII.   | F206020 | Retail Sale of daily commodities  |
| XIII.  | F208040 | Retail Sale of Cosmetics  |
| XIV.   | F209060 | Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies |
| XV.    | F301010 | Department Stores   |
| XVI.   | F399040 | Retail Sale No Storefront   |
| XVII.  | F401010 | International Trade   |
| XVIII. | F401021 | Restrained Telecom Radio Frequency Equipments and Materials Import                            |
| XIX.   | G202010 | Parking area Operators  |
| XX.    | H701010 | Housing and Building Development and Rental   |
| XXI.   | H701020 | Industrial Factory Development and Rental   |

- XXII. H703090 Real Estate Business
- XXIII. H703100 Real Estate Leasing
- XXIV. I301010 Information Software Services
- XXV. I501010 Product Designing
- XXVI. J202010 Industry Innovation and Incubation Services
- XXVII. JB01010 Conference and Exhibition Services
- XXVIII. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company may act as a guarantor for an external party if such an act can be justified as business related.

Article 4: The Company may act as a shareholder of limited liability for other companies with the Board of Directors' resolution, and its total investment amount, unless otherwise stipulated by the law, shall be exempt from the restrictions that the total investment amount shall not exceed forty percent of the Company's paid-in capital.

Article 5: The Company shall have its head-office in Taipei City and, if necessary, may set up branches and plants in other proper locations.

The set-up and cancellation shall be determined by the Board of Directors.

## **Chapter II: Shares**

Article 6: The total amount of the Company's capital stock is NT\$3.6 billion, which is divided into 360,000,000 shares. They are all ordinary shares, with NT\$10 per share. The Board of Directors is authorized to issue the unissued shares in separate installments.

Article 7: The Company's share certificates shall be name-bearing certificates, duly signed by or affixed with seals by the Director on behalf of the Company, and legally authenticated by the bank acting as a stock issuer before issuance.

The Company may issue shares without certificates, and such shares shall be registered with a central securities depository.

Article 8: The Company's shares shall be handled according to the "Regulations Governing the Administration of Shareholder Service of Public Companies" issued by the securities regulatory agency.

Article 9: No registration of transfer of shares shall be made within sixty days prior to an Annual Shareholders' Meeting, nor within thirty days prior to an Extraordinary Shareholders' Meeting, nor within five days prior to the day on which dividend, bonus, or other benefits is scheduled to be paid by the Company.

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

- Article 10: The Shareholders' Meetings of the Company are divided into the Annual Shareholders' Meeting and Extraordinary Shareholders' Meeting. The former shall be convened annually within six months after the closing of each accounting year. The latter may be duly convened according to relevant laws whenever necessary.
- Article 10-1: The Company shall hold the Shareholders' Meeting in the form of video conference or other manners announced by the central regulatory authority.
- If the Shareholders' Meeting is convened via video conferencing, a shareholder who attends the meeting via video conferencing shall be deemed to attend in person.
- When the Company holds the Shareholders' Meeting in the form of video conference or other manners announced by the central regulatory authority, the conditions that shall be satisfied, working procedures and other matters that shall be observed shall be subject to the provisions of the securities regulation authority.
- Article 11: Unless otherwise stipulated by the law, one vote shall be offered for each share at the Shareholders' Meeting of the Company.
- Article 12: Where a Shareholders' Meeting is convened by the Board of Directors, the chairperson shall be the Chairman. If the Chairman asks for leave or cannot perform the duty due to any reason, the Vice Chairman shall act in his place. If there's no Vice Chairman or the Vice Chairman also asks for leave or cannot perform the duty due to any reason, the Chairman shall appoint a Director to act in his place; In the event that the Chairman does not appoint a Director, one Director shall be elected from among themselves to act in his place. If the meeting is convened by a person with the authority to convene other than the Board of Directors, such person shall act as the chairperson at that meeting; if there are more than one persons with the authority to convene, the chairperson for the meeting shall be appointed from among them.
- Article 13: Except as otherwise provided by relevant law, the resolutions of Shareholders' Meeting shall be adopted upon the approval of over half of the voting shares of the shareholders present at the meeting attended by the holders of more than half of the total issued and outstanding shares of the Company or their proxies.
- The Company's shareholders may exercise voting rights by electronic means, and relevant matters shall be handled in accordance with the laws and regulations.
- Article 14: Resolutions made during the Shareholders' Meeting shall be made into a book of meeting minutes, and they shall be made, distributed, announced, and kept in accordance with laws and regulations.

## **Chapter IV Directors and Audit Committee**

- Article 15: The Company will have five to nine Directors. Each Director will serve an office term of three years and may be re-elected. All Directors shall comply with the rules of the securities regulatory authorities concerning their total shareholding ratio.
- There shall be no less than three Independent Directors among the number of Directors to be elected referred to in the preceding paragraph, and shall not be less than one-fifth of Directors. The election of the Company's Directors and Independent Directors shall be organized under a nomination system and the shareholders shall make election and appointment from the list of candidates of Directors and Independent Directors. The election shall be processed in accordance with Article 192-1 of the Company Act.
- The restrictions on professional qualifications, shareholding, and concurrent positions held, as well as the manner of nomination and election of Independent Directors, and other related compliance matters shall comply with the relevant regulations prescribed by the competent authority.
- During the election of Directors, Independent and Non-Independent Directors are elected at the same time, but the elected ones will be counted separately. Those who have won the votes representing more voting rights will serve as Independent and Non-Independent Directors respectively.
- Article 15-1: In accordance with Article 14-4 of the Securities and Exchange Act, the Company shall set up an Audit Committee composed of all Independent Directors, which shall be responsible for exercising the functions and powers of supervisors prescribed by the Company Act, Securities and Exchange Act, and other regulations.
- Article 16: A Chairman and a Vice Chairman shall be elected among the Directors by the Board of Directors upon the approval of over half of the Directors present at a meeting attended by more than two-thirds of all Directors. The Chairman is the Company's representative.
- Article 16-1: Remuneration shall be paid to the Company's Directors for the performance of their duties, regardless of profits or losses. The Board of Directors is authorized to determine upon the remunerations for Directors according to their participation in and the value of their contribution to the Company operation and with reference to the common remuneration level in the industry.
- Article 17: In case that the vacancies in the office of Directors reach one-third of the Board of Directors or if all Independent Directors have been dismissed, the Board of Directors shall convene an Extraordinary Shareholders' Meeting within sixty days to elect new Directors to hold office for the unexpired term of the former Directors.
- Article 18: The powers of the Board of Directors are as follows:

- I. Determine business plans.
- II. Review important rules and contracts.
- III. Establish and cancel branches.
- IV. Approve budgets and final accounts.
- V. Submit proposals regarding capital increase or decrease, and direct and supervise businesses.
- VI. Appoint, dismiss, and determine the remuneration for Managerial Officers.
- VII. Appoint the directors and supervisors of wholly-owned subsidiaries.
- VIII. Deliberate the matters proposed by the Board of Directors of subsidiaries.
- IX. Make decisions on purchase and disposal of real estate.
- X. Make decisions on lending and borrowing funds to and from the external.
- XI. Other matters set forth by the Company Act or this Articles of Incorporation

Article 19: The Board of Directors' meeting shall be convened by the Chairman, but the first meeting of each Board of Directors shall be convened in accordance with the provisions of the Company Act.

Upon convening a Board of Directors' Meeting, the reasons for convening the meeting shall be notified to each Director at least seven days in advance. However, in the event of an emergency, the meeting may be convened at any time. The notices of convening the Board of Directors' Meeting may be served in writing or by means of facsimile or e-mail, etc.

Article 20: Except as otherwise provided by the Company Act, resolutions of the Board of Directors shall be adopted upon the approval of over half of the Directors present at a meeting attended by more than half of the Directors.

Article 21: If a Director is unable to attend a Board of Directors' meeting for any cause, he/she shall appoint another Director to attend such meeting. However, if a Director attends the Board of Directors as a proxy, he/she shall be appointed as a proxy for one other Director only.

If a Board of Directors' meeting is convened via video conferencing, Directors who attend the meeting via video conferencing shall be deemed to have attended the meeting in person.

Article 22: (Delete)

Article 23: (Delete)

## **Chapter V Managerial Officer**

Article 24: The Company has Managerial Officers to handle all the businesses of the Company based on the resolutions of the Board of Directors. The engagement, discharge and remuneration of the Managerial Officers shall be adopted upon the approval of more than half of the Directors present at a meeting attended by over half of the Directors.

## **Chapter VI Accounting**

Article 25: The Company's accounting year begins from Jan. 1 and ends on Dec. 31.

Article 26: At the end of the Company's each accounting year, the Board of Directors shall submit and apply to the Shareholders' Meeting to ratify, according to legal procedures:

- I. Business report.
- II. Financial statements.
- III. Proposals for earnings distribution or loss coverage.

Article 27: If profit is made by the Company in the year, no less than one percent of the said profit shall be allocated as the remuneration for employees. The Board of Directors shall adopt an extraordinary resolution on whether to issue the remuneration in shares or cash. The Company permits its Board of Directors to allocate no more than five percent of the amount of the aforementioned profit as the remuneration for Directors through an extraordinary resolution. The proposal for distribution of remuneration to employees and Directors shall be reported at the Shareholders' Meeting. However, in case of any cumulative losses, the Company shall keep a certain amount in advance to cover the losses, and then allocate a certain amount based on the said proportion as the remuneration for employees and Directors.

The proportion of the employee remuneration in the preceding paragraph shall include no less than six percent of the allocated amount for distribution to grassroots employees.

The Company offers employee treasury stocks, employee stock options, new shares subscription by employees, new restricted employee shares, and employee remuneration, etc., their payment objects may include such employees of the companies controlled by or affiliated to the Company as relating to the Company's businesses.

Article 27-1: If there are current net profits after tax in the Company's annual final accounts, 10 % of the balance, after deducting cumulative losses (including adjustment to unappropriated earnings), shall be allocated as statutory surplus reserves, except when the cumulative statutory surplus has reached the paid-in capital of the Company. Special surplus reserves shall also be allocated or written off in accordance with laws and regulations; if there's any balance, the Board of Directors shall issue earnings distribution plan for such balance and the

opening unappropriated earnings (including adjustment to unappropriated earnings).

If the “net increase in accumulated fair value of property held for investment in previous period” and the “net decrease in accumulated other equities in previous period” are not accrued in full, the Company shall, distributing the earnings, accrue the special surplus' reserve in the same amount out of the undistributed earnings in the current period, and if there is still any discrepancy, the Company shall accrue it out of the undistributed earnings, which are the after-tax net profit in the current period plus the other items in the current period.

Where the earnings are distributed in the form of cash dividends, it shall be resolved by half of the Directors present at a meeting attended by more than two-thirds of the Board of Directors, and shall be reported to the Shareholders' Meeting. Where they are distributed by issuing shares or paying dividends, it shall be resolved at the Shareholders' Meeting.

The Company adopts a remaining dividend policy, in order to make cooperation in long-term financial planning to seek sustainable and stable business development and to consider the demands for capital budget and working capital. The dividend of shareholders shall not be less than 10% of the amount after the net profit after tax of the current year deducts the cumulative losses (including adjustment to unappropriated earnings) and allocates the legal surplus reserve and earnings shall be distributed in cash and/or by issuing shares, with the cash dividends no less than ten percent of the total dividends.

## **Chapter VII Bylaws**

Article 28: The Company's Organization Rules and Detailed Measures shall be formulated separately.

Article 29: The matters not specified in these Articles of Incorporation shall be governed by the Company Act.

Article 30: This Articles of Incorporation was established on Apr. 15, 1955. The 1st amendment was made on Jul. 10, 1956. The 2nd amendment was made on Nov. 1, 1957. The 3rd amendment was made on Apr. 30, 1959. The 4th amendment was made on Feb. 1, 1962. The 5th amendment was made on Sep. 1, 1963. The 6th amendment was made on Mar. 6, 1965. The 7th amendment was made on Apr. 10, 1965. The 8th amendment was made on Sep. 7, 1966. The 9th amendment was made on Jun. 15, 1969. The 10th amendment was made on Aug. 29, 1972. The 11th amendment was made on May 17, 1973. The 12th amendment was made on May 30, 1974. The 13th amendment was made on May 23, 1975. The 14th amendment was made on Aug. 19, 1975. The 15th amendment was made on May 24, 1976. The 16th amendment was made on Apr. 26, 1977. The 17th amendment was made on Apr. 14, 1979. The 18th amendment was made on Apr. 24, 1980. The 19th amendment was made on Apr. 13, 1981. The 20th amendment was made on May 13, 1983. The 21st

amendment was made on Jun. 8, 1985. The 22nd amendment was made on Oct. 1, 1985. The 23rd amendment was made on May 20, 1986. The 24th amendment was made on Jun. 28, 1988. The 25th amendment was made on Mar. 24, 1990. The 26th amendment was made on Jun. 22, 1991. The 27th amendment was made on Apr. 27, 1996. The 28th amendment was made on May 12, 2000. The 29th amendment was made on Jun. 26, 2002. The 30th amendment was made on Dec. 26, 2003. The 31st amendment was made on Jun. 14, 2005. The 32nd amendment was made on Jun. 23, 2006. The 33rd amendment was made on Jun. 13, 2007. The 34th amendment was made on Jun. 25, 2010. The 35th amendment was made on Jun. 22, 2011. The 36th amendment was made on Jun. 19, 2012. The 37th amendment was made on Jun. 13, 2013. The 38th amendment was made on Jun. 6, 2014. The 39th amendment was made on Jun. 22, 2015. The 40th amendment was made on Jun. 13, 2016. The 41st amendment was made on May 26, 2017. The 42nd amendment was made on Jun. 14, 2019. The 43rd amendment was made on Jun. 19, 2020. The 44th amendment was made on June 10, 2022. The 45th amendment was made on May 26, 2023. The 46th amendment was made on May 26, 2025.