

# Articles of Incorporation

XU YUAN PACKAGING TECHNOLOGY CO., LTD.

## Article 1

This company is organized in accordance with the Company Act and is named "XU YUAN PACKAGING TECHNOLOGY CO., LTD."

## Article 2 – Business Scope

The company engages in the following business activities:

1. C805990 - Manufacture of other plastic products
2. CB01010 - Manufacture of machinery and equipment
3. CQ01010 - Manufacture of molds
4. F107990 - Wholesale of other chemical products
5. F113010 - Wholesale of machinery
6. F206030 - Retail of molds
7. F207990 - Retail of other chemical products
8. F213080 - Retail of mechanical instruments
9. F401010 - International trade
10. I501010 - Product design
11. F106030 - Wholesale of molds
12. ZZ99999 - Any business not prohibited or restricted by law

## Article 3 – Head Office and Branch Offices

The company's head office is located in **Hsinchu County, Taiwan**. If necessary, the company may establish branch offices domestically or internationally upon the resolution of the Board of Directors.

## Article 4 – Public Notices

Public notices of the company shall be made in accordance with Article 28 of the Company Act.

## Article 5 – Investment Limitations

The maximum amount of the company's external investments is not subject to the 40% limit of the company's paid-in capital.

## **Article 6 – Endorsements and Guarantees**

For business needs, the company may provide endorsements and guarantees to external entities, subject to the resolution of the Board of Directors.

## **Article 7 – Capital Stock**

1. The company's total capital is set at **NT\$650 million**, divided into **65 million shares**, each valued at **NT\$10**. This includes **1 million shares reserved for employee stock options**.
2. The unissued shares shall be issued in installments as authorized by the Board of Directors.
3. The recipients of the company's repurchased shares, employee stock options, and newly issued shares for employee subscription may include employees of subsidiaries that meet specific conditions determined by the Board of Directors.

## **Article 8 – Stock Issuance**

1. The company issues **registered stocks**, signed or stamped by at least three directors, and issued after legal certification.
2. Stocks may be issued without printing physical certificates and registered with a centralized securities depository institution.

## **Article 9 – Share Transfer Restrictions**

1. Changes to the shareholder registry are suspended **30 days before the annual general meeting, 15 days before an extraordinary meeting, or 5 days before dividend distribution or other benefits**.
2. After public issuance of the company's stock, name changes and transfers shall be suspended **60 days before the annual general meeting, 30 days before an extraordinary meeting, or 5 days before dividend distribution or other benefits**.

## **Article 10 – Shareholder Meetings**

1. Shareholder meetings are classified as **annual meetings** and **extraordinary meetings**.

2. The **annual meeting** is held **once a year**, within **six months after the fiscal year-end**.
3. **Extraordinary meetings** may be convened as needed in accordance with the law.

### **Article 11 – Proxy for Shareholder Meetings**

Shareholders unable to attend meetings may authorize a proxy using the company's designated form, specifying the scope of authorization. The usage of proxies shall comply with **Article 177 of the Company Act** or relevant regulations issued by the competent authority.

### **Article 12 – Meeting Chairperson**

1. Shareholder meetings are convened by the **Board of Directors**, with the **Chairman** serving as the chairperson.
2. If the **Chairman is absent**, a **director designated by the Chairman** shall preside. If no designation is made, a **director shall be elected** as chairperson.
3. If the meeting is convened by other authorized persons, they shall act as the chairperson.

### **Article 13 – Voting Rights**

Each share entitles the shareholder to **one vote**, except in cases where restrictions apply under **Article 179 of the Company Act**.

### **Article 14 – Resolutions at Shareholder Meetings**

1. Resolutions require the presence of **shareholders representing more than half of the total issued shares**, and approval by a **majority of voting rights present**, unless otherwise specified by the Company Act.

### **Article 15 – Meeting Minutes**

1. Meeting resolutions shall be documented in **minutes**, signed or stamped by the **chairperson**.
2. The minutes shall include **date, location, chairperson, resolutions, and key discussions**.
3. The minutes shall be **distributed to shareholders within 20 days** after the meeting and may be electronically stored or publicly announced.

## Article 16 – Board of Directors

1. The company shall have **7 to 12 directors**, elected through a **candidate nomination system** for a **three-year term**, with eligibility for re-election.
2. At least **three directors must be independent**, constituting at least **one-fifth of the total**.

## Article 17 – Board Vacancies

1. If **one-third of the director seats** become vacant, an **extraordinary shareholder meeting must be held within 30 days** for a by-election.

## Article 18 – Chairman of the Board

1. Directors shall elect a **Chairman** from among themselves by **majority vote**.
2. The **Chairman represents the company externally**. If the Chairman is absent, a **designated director** shall act as the representative.

## Article 19 – Board Meetings

1. Board meetings shall be convened by the **Chairman**.
2. Resolutions require a **majority attendance of directors** and approval by a **majority vote** of those present.

## Article 20 – Board Meeting Notifications

1. Notices must be sent **at least seven days before the meeting**, except for urgent matters.
2. Notices may be sent by **written document, email, or fax**.

## Article 21 – Director Compensation

1. Directors shall receive compensation **regardless of company profit or loss**, based on **industry standards and their contributions**.
2. The Board may approve **transportation and miscellaneous allowances**.

## Article 22 – Director Liability Insurance

1. The company may **purchase liability insurance** for directors during their tenure to **mitigate risks** from legal responsibilities.

## Article 23 – Managerial Positions

1. The company may appoint **managers**, with hiring, dismissal, and compensation handled according to **Article 29 of the Company Act**.

## Article 24 – Financial Reports

At the end of each fiscal year, the Board shall prepare:

1. **Business report**
2. **Financial statements**
3. **Profit distribution or loss compensation proposals**

## Article 25 – Profit Distribution

1. After deducting **employee compensation (at least 4%)** and **director compensation (up to 4%)**, the remaining net profit is used to cover losses.
2. At least **10% of the remaining profit** must be allocated to a **legal reserve**, unless it has reached the **total capital amount**.

## Article 26 – Stock Delisting

If the company decides to **delist its publicly issued stock**, the decision must be approved by the **shareholder meeting**, without changes during its listing period.

## Article 27 – Virtual Shareholder Meetings

The company may hold **virtual shareholder meetings**, subject to regulations set by securities authorities.

## Article 28 – Governing Laws

Matters not covered in these Articles shall be governed by the **Company Act and related regulations**.

## Article 29 – Amendments

The Articles were originally formulated on **October 21, 2004**, and have been amended **19 times**, with the latest amendment on **May 24, 2024**.