

# **St.Shine Optical Co., Ltd.**

## **Articles of Incorporation**

### **Chapter 1 General Rules**

- Article 1: The Company is named “St.Shine Optical Co., Ltd.” according to the organization stipulated in the Company Act.
- Article 2: The Company’s business operation is as follows:
- I. CF01011 Medical Equipment Manufacturing Business
  - II. F401010 International Trade
  - III. F113050 Computer and Office Machinery Equipment Wholesale Business
  - IV. F213030 Computer and Office Machinery Equipment Retail Business
  - V. F108031 Medical Equipment Wholesale Business
  - VI. F208031 Medical Equipment Retail Business
  - VII. JZ99060 Optometry Service Industry
  - VIII. ZZ99999 Except for the chartered business, including businesses not prohibited or restricted by law;
- Article 3: The Company may make guarantees externally for business needs, but guarantee related matters shall be implemented in accordance with the Company’s “Loans and Endorsement & Guarantee Operational Procedures.”
- Article 4: The Company shall not be an unlimited liability shareholder of a company or a partner of a partnership; if it is a limited liability shareholder of a company, the total investment amount is not subject to the limit of total investment as stipulated in the Company Act, only the investment in long-term equity shall be determined by the competent authority within the scope of authorization in accordance with the Company’s “Procedures for the Acquisition or Disposal of Assets.”
- Article 5: The total investment amount of the Company is not subject to the restriction of Article 13 of the Company Act.
- Article 6: The Company has a head office in New Taipei City and may establish branches domestically or internationally as necessary with the establishment, revocation, or changes implemented by the resolution of the Board of Directors.

## **Chapter 2 Shares**

Article 7: The Company's authorized capital amount is NT\$880 million, divided into 88 million shares at NT\$10 par, and the Board of Directors is authorized to have the unissued shares issued by installation.

In the previous amount of capital, 3,610,000 shares are reserved for the application of employee warrants.

Article 8: The Company's stocks are all registered, and the share certificates shall be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance thereof.

The shares issued by the Company are exempted from printing stocks, as other negotiable securities, and should be registered with the centralized securities depository institutions.

Article 9: The Company's stock matters should be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" that is announced by the competent authorities.

Article 10: The registration for share transfer shall be suspended within 60 days before the General Shareholders Meeting, within 30 days before an Extraordinary Shareholders Meeting, or within five days before the date of the Company's decision made to distribute dividends and bonuses or other benefits.

## **Chapter 3 Shareholders Meeting**

Article 11: Shareholders Meetings include General Shareholders Meeting and Extraordinary Shareholders Meeting.

1. A General Shareholders Meeting is held once a year and it shall be convened by the Board of Directors within six months after the end of each fiscal year.

2. An Extraordinary Shareholders Meeting is convened when it is necessary.

The Company's shareholders' meetings may be held by video conferencing or other means announced by the central competent authority. The shareholders participate in such a video conferencing meeting shall be deemed to have attended the meeting in person.

Article 12: The resolutions of the Shareholders Meeting, unless otherwise regulated by law

and regulations, shall be reached with the attendance of the shareholders who have been issued with the majority of the shares, and with the consent of the attending shareholders who have the majority of the voting rights.

Article 13: Each shareholder of the Company has one vote for each share, except as otherwise provided by relevant laws and regulations.

Article 14: When a shareholder is unable to attend the Shareholders' Meeting for any reason, he/she may submit a proxy form which printed by the Company and specifying the scope of authorization, after signed or sealed, authorize a proxy to attend the meeting. The use of the proxy is in accordance with the "Regulations Governing the Use of Proxies for the Attendance at Shareholders Meeting of Public Companies" issued by the competent authorities.

Article 15: When a Shareholders Meeting is held, the Chairman is to chair the meeting. When the Chairman is on leave, the Chairman shall appoint one of the directors to act as Chairman. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as Chairman. If a Shareholders Meeting is convened by a party with the power to convene but not the Board of Directors, the convening party shall chair the Meeting, and if there are more than two conveners, one of the conveners shall chair the Shareholders Meeting.

Article 16: The resolutions of the Shareholders Meeting shall be made into a minutes of the Meeting to be signed or sealed by the Chairman of the Shareholders Meeting, and the minutes of the Meeting shall be distributed to the shareholders within 20 days after the Meeting.

The production and distribution of the minutes of the Meeting in the preceding paragraph can be made electronically.

The distribution of the minutes of the Meeting as stated in Paragraph 1 can be announced.

#### **Chapter 4 Directors, Audit Committee, and Managers**

Article 17: The Company shall have five to nine directors. Directors shall be elected by the shareholders' meeting from the director candidate nomination list. The term of office for Directors shall be three years and may be re-elected.

The aforesaid Board of Directors must have at least three independent directors and no less than one-third of the total numbers of the directors.

The professional qualifications, shareholdings, part-time restrictions, nomination and election methods, and other matters to be complied with by independent directors shall comply with the relevant regulations of the securities authorities.

The total shareholding ratio of all directors of the Company shall be in accordance with the regulations of the securities authorities.

Article 17-1: The manner in which the Company accepts the nomination and election of directors is handled in accordance with the relevant laws and regulations. The election of independent directors and non-independent directors shall be held together, but the number of elected seats counted separately.

The cumulative voting method shall be used for election of the directors of the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. The candidates with the higher number of votes are elected.

Article 17-2: More than half of the directors of the Company having neither of the following relationships with any director:

1. Spouses.
2. A relationship within the second degree of kinship.

Article 17-3: The Company established the audit committee in accordance with Article 14-4 of Securities and Exchange Act. The audit committee shall be composed of the entire number of independent directors, and it shall not less than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise.

The Company established the audit committee, therefore the regulations regarding supervisors in Securities and Exchange Act, the Company Act, and other laws and regulations shall apply to the audit committee.

Article 18: Directors organize the Board of Directors to exercise the powers of directors.

Article 19: The Board Meeting shall be attended by more than two-thirds of the directors, and more than half of the attending directors will give consent on the election of the Chairman. One Chairman shall be elected and the Chairman shall represent the Company externally.

Article 20: The first Board Meeting is to be convened by the director who receives the highest voting rights. Starting from the second meeting, the Board Meeting is to be convened and chaired by the Chairman. When the Chairman asks for leave or

fails to exercise his/her powers for any reason, his/her proxy shall handle matters in accordance with the provisions of Article 208 of the Company Act.

Article 20-1: The notice for the meetings of the Board of Directors shall state the reasons of the meetings, and shall be sent to each director 7 days prior to the meetings. In case of emergency, the meetings of the Board of Directors may be convened when deemed necessary.

The aforementioned meeting notice shall be notified in writing or via facsimile or e-mail to all directors.

Article 21: Unless otherwise regulated by the Company Act and Other Laws, the resolutions of the Board of Directors shall be reached with the attendance of the majority of directors and with the consent of the majority of the attending directors.

When the directors have a conflict of interest in the matters of the Meeting, they shall explain the important contents of their conflict of interest in the Board Meeting.

All Board Directors shall attend Board Meetings in person; if attendance in person is not possible, they may appoint another director to attend in their place with a written proxy stating the scope of authorization with respect to the reasons for meeting, but there is a limit of one proxy for one director only. In addition, directors attending the Board Meeting via video-conference are deemed to have attended in person.

Article 22: The Company may have one general manager and several vice general managers appointed in accordance with the resolutions of the Board of Directors and with their appointment, dismissal, and remuneration handled in accordance with the provisions of Article 29 of the Company Act.

Article 22-1: The Company shall insure liability insurance for the directors to indemnify the potential liabilities, according to the relevant laws, to be borne by the directors when perform their duties during their term so as to protect all shareholders' equities and to reduce the operating risk of the company.

Article 22-2: For the remuneration of the Chairman and directors, the Board of Directors is authorized to determine it according to their participation in and contribution to the Company's operations and by referring to the advice of the Remuneration Committee and the standards of the industry.

## Chapter 5 Accounting

Article 23: At the end of each fiscal year, the Board of Directors has the following reports prepared and presented in the Shareholders Meeting for recognition:

- I. Business Report.
- II. Financial Statements.
- III. Earnings Distribution or Loss Compensation Statement.

Article 24: If the Company makes a profit in the year, it should appropriate not less than 3% of the earnings as remuneration to employees. The Board of Directors decides the distribution of stock dividends or cash dividends. Employees of the subordinate companies who have met certain conditions are also entitled to be distributed. The Company's Board of Directors may resolve to appropriate not more than 3% of the aforementioned earnings as remuneration to directors, in cash only.

However, when the Company has accumulated losses, it should retain the amount to make up for the losses first, and then appropriate remuneration to employees and directors according to the ratio stated in the preceding paragraph.

Remuneration to employees and directors shall be reported in the Shareholders Meeting.

Article 24-1: The Company's earnings, if any, after applied to pay taxes, should make up for losses first, and then 10% of the earnings shall be appropriated as legal reserve. But when the legal reserve is equivalent to the paid-in capital, the appropriation of legal reserve can be ceased. In addition, the special reserve will be appropriated or reversed according to laws and regulations or depending on business needs. The remaining amount, if any, plus the accumulated undistributed earnings will be available for distribution according to the proposal of the Board of Directors. The issuance of new shares should be presented in the Shareholders Meeting for resolutions.

The allocation of the special reserve under the preceding paragraph, belong to the insufficiency accumulated special reserve of preceding period, shall allocate an amount of special reserve equal to the amount allocated to undistributed earnings for the preceding period. If there remains any insufficiency, 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.

In accordance with paragraph 5, Article 240 of the Company Act, the company

authorized the board of directors which by a majority of the directors present who represent more than two-thirds of the board of directors to make a resolution to have the distributable dividends and bonuses, or regulated by the paragraph 1 Article 241 of the Company Act's legal reserve and capital reserve in whole or in part, provide in cash, and report to the shareholders' meeting.

Article 25: The Company will consider the surrounding environment and growth stage of the Company, in response to future capital needs and long-term financial planning, and meet the shareholders' demand for cash inflow, for the distribution of dividends by the Company, wherein the cash dividends shall not less than 10% of the total dividends.

## **Chapter 6 Supplementary Clauses**

Article 26: The charter and work rules of the Company are to be stipulated separately in accordance with the resolution of the Board of Directors.

Article 27: Matters not covered in the Articles of Association will be handled in accordance with the provisions of the Company Act and relevant laws and regulations.

Article 28: These Articles of Association were enacted on August 14, 1986.

The 1<sup>st</sup> amendment was made on December 5, 1986.

The 2<sup>nd</sup> amendment was made on December 20, 1991.

The 3<sup>rd</sup> amendment was made on July 20, 1994.

The 4<sup>th</sup> amendment was made on March 3, 1995.

The 5<sup>th</sup> amendment was made on October 24, 1996.

The 6<sup>th</sup> amendment was made on December 2, 1996.

The 7<sup>th</sup> amendment was made on December 24, 1998.

The 8<sup>th</sup> amendment was made on May 6, 1999.

The 9<sup>th</sup> amendment was made on December 4, 1999.

The 10<sup>th</sup> amendment was made on December 4, 1999.

The 11<sup>th</sup> amendment was made on February 15, 2000.

The 12<sup>th</sup> amendment was made on July 14, 2000.

The 13<sup>th</sup> amendment was made on June 26, 2002.

The 14<sup>th</sup> amendment was made on June 12, 2003.

The 15<sup>th</sup> amendment was made on May 25, 2004.

The 16<sup>th</sup> amendment was made on May 25, 2004.

The 17<sup>th</sup> amendment was made on June 27, 2005.

The 18<sup>th</sup> amendment was made on June 14, 2006.

The 19<sup>th</sup> amendment was made on June 13, 2007.

The 20<sup>th</sup> amendment was made on June 15, 2010.

The 21<sup>st</sup> amendment was made on June 12, 2012.

The 22<sup>nd</sup> amendment was made on June 9, 2015.

The 23<sup>rd</sup> amendment was made on June 17, 2016.

The 24<sup>th</sup> amendment was made on July 2, 2021.

The 25<sup>th</sup> amendment was made on June 29, 2022.