

KMC (Kuei Meng) International Inc

Articles of Incorporation

Chapter 1 General Provisions

Article 1: The Corporation shall be incorporated under Company Act and its name shall be KMC (Kuei Meng) International Inc. in English language.

Article 2: The scope of business of the Corporation shall be as follows:

- I. CC01060 Wired Communication Equipment and Apparatus Manufacturing
- II. CC01070 Telecommunication Equipment and Apparatus Manufacturing
- III. CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing
- IV. F401010 International Trade
- V. CC01110 Computers and Computing Peripheral Equipment Manufacturing
- VI. F114030 Wholesale of Automotive and Motorcycle Parts and Supplies
- VII. F214030 Retails of Automotive and Motorcycle Parts and Supplies
- VIII. CD01040 Motor Vehicles and Parts Manufacturing
- IX. CD01050 Bicycle and Parts Manufacturing
- X. CD01990 Other Transportation and Parts Manufacturing
- XI. F114040 Wholesale of Bicycle Parts and Supplies
- XII. F114990 Wholesale of Other Transportation Equipment and Parts.
- XIII. F214040 Retails of Bicycles and Parts
- XIV. F214990 Retails of Other Transport Equipment and Parts
- XV. ZZ99999 Other business items that are not prohibited or restricted by law.

Article 2, Section 1: The Corporation shall authorize its Board of Directors to reinvest relative business, and the total amount of the Corporation's reinvestment shall not be subject to the restriction of not exceed forty percent of the Corporation's paid-up capital as provided in Article 13 of Company Act.

Article 2, Section 2: The Corporation may make external endorsements and guarantees depending on business needs.

Article 3: The Corporation has held its head office in Tainan City, Republic of China. Upon approval of government authorities in charge, the Corporation can set up branch offices or representative offices at locations within or without the territory of Republic of China.

Article 4: Public announcements of the Corporation shall be made in accordance with Article 28 of Company Act.

Chapter 2 Capital Stock

Article 5: The total capital stock of the Corporation shall be in the amount of two billion (2,000,000,000) New Taiwan Dollars, divided into two hundred million (200,000,000) shares, at ten New Taiwan Dollars, and may be paid-up in installments. The Corporation has authorized the Board of Directors to issue the reserved capital stock paid-up in installment depending on business needs. A total of 16 million (16,000,000) shares among the above mentioned total capital stock should be reserved for issuing employee stock options or for being used as Corporate bond with warrant.

Article 6: The company's stocks are all registered, signed or stamped by the representative of the company's directors, and issued after obtaining a visa according to law. After the company's public offering, stocks may be issued without a physical entity, and other securities are the same, but they should be registered with the securities centralized custodial institution.

Article 6, Session 1: Delete.

Article 6, Session 2: The Corporation shall comply with relevant provisions of government authorities in charge whenever managing the matters of its capital stock.

Article 7: Registration for transfer of shares shall be suspended sixty (60) days before the date of regular meeting of shareholders, or thirty (30) days before the date of any special meeting of shareholders, or within five days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Corporation.

Chapter 3 Shareholder's meeting

Article 8: Shareholder's meetings are of two types, the regular meetings and special meetings.

Regular meetings shall be convened by the Board of Directors within six (6) months after the close of each fiscal year. Special meetings shall be convened in accordance with the relevant laws, rules and regulations.

The Corporation's shareholders' meeting can be held by means of visual communication network or other methods promulgated by Ministry of Economic Affairs.

Article 9: If a shareholder is unable to attend a meeting, he/she may appoint a representative to attend it to exercise on his/her behalf holding the power of attorney bearing the signature or seal clearly specifies the scope of representation.

Article 10: Each share of stock of the Corporation shall be entitled to one vote except the circumstances set forth in the Article 179 of Company Act.

Article 11: Except as provided in the Company Law of the Republic of China, shareholders' meetings may be held if attended by shareholders in person or by proxy representing more than one half of the total issued and outstanding capital stock of the Corporation, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting. According to regulatory requirements, shareholders may also vote via an electronic voting system, and those who do shall be deemed as attending the shareholders' meeting in person; electronic voting shall be conducted in accordance with the relevant laws and regulations.

Chapter 4 Directors and audit committee charter (Financial Advisors)

Article 12: The Corporation shall have five to nine Directors, whose term of office is three (3) years. The company has an audit committee composed of all independent directors, which implements the company law, securities trading law and other laws and regulations to replace the supervisory authority. Regarding the audit committee's responsibilities, organizational regulations, exercise of powers and other matters that should be complied with, it is known to be in accordance with the company law, the securities trading law and related laws and regulations.

Article 12, Session 1:

The Corporation shall have five to seven Directors, (Financial Advisors) whose term of office is three (3) years. And the Directors shall be elected in the shareholder's meeting, and all Directors shall be eligible for re-election.

The company has an audit committee composed of all independent directors, which implements the company law, securities trading law and other laws and regulations to replace the supervisory authority. Regarding the responsibilities of the audit committee, organizational regulations, exercise of powers and other matters to be complied with, compliance with the company law, securities trading law and related laws and regulations is required.

Article 13: The Directors shall elect from among themselves a Chairman of the Board of Directors in a meeting attended by over two-third of the Directors. Depending on business needs, the Directors may elect a Vice Chairman of the Board of Directors. The Chairman of the Board of Directors shall be the Chairman of the shareholder's meeting internally and the representative of the Corporation externally.

Article 14: In case the Chairman of the Board of Directors is absent (due to taking leaves), the Vice Chairman of the Board of Directors shall be acting for him/her. In case there's no Vice Chairman of the Board of Directors, or the Vice Chairman of the Board of Directors is absent (due to taking leaves), the Chairman of the Board of Directors may appoint another Director to attend the meeting on his/her behalf. In case of no appointment, the Directors can elect a Director act as proxy.

Article 15: Director shall attend the meetings; in case a director is not able to attend the meeting, he/she may, by written authorization, appoint another Director to attend on his/her behalf; the Director who represents the absent Director shall not act as proxy for more than one other Director.

Article 16: The Board of Directors is authorized to determine the salary for all the Directors (Financial Advisors) by taking into account the extent and value of the services provided for the management of Corporation and the standards of the Industry nationwide and worldwide.

The remuneration to independent Directors (Financial Advisors) adopts regular amount.

Article 16, Session 1: The company may purchase liability insurance for the Directors (Financial Advisors) to reduce the risk of being sued by shareholders or other related people.

Article 17: The functions of the Board of Directors are as follows:

1. Review the operation principles and the mid-term and long-term development plan.
2. Review and supervise the execution of the business plan.
3. Review the budget proposal and resolution.
4. Review the capital increase/decrease plan.
5. Review the solution for distribution of surplus or using to surplus to cover deficits.
6. Review the important external contracts.
7. Review the existing or revised articles of incorporation.
8. Review and approve the organizations and rules of the Corporation and important business rules.
9. Review and approve the establishment, reorganization or revocation of branch offices or representative offices.
10. Review and approve major plans of capital expenditure.
11. Appoint or discharge the managerial personnel.
12. Execute all resolution adopted at the shareholder's meeting.
13. Review the proposals drawn up by the managerial personnel.
14. Convene the shareholder's meeting and business report.
15. Manage all the other matters in accordance of Company Act.

Article 18: Delete

Chapter 5 Managerial personnel

Article 19: The Corporation may appoint one or more managerial personnel. Appointment, discharge and remuneration of the managerial personnel shall be decided in accordance with the provisions provided in Article No. 29 of Company Act.

Chapter 6 Accounting (Financial Report)

Article 20: After the close of each fiscal year, the following reports shall be prepared by the Board of Directors: 1. Business Reports; 2. Financial Statements; 3. Proposals Concerning distribution of surplus or covering of losses. All the prepared reports shall be submitted to the regular shareholder's meeting for acceptance.

Article 21: In case there is surplus after the close of each fiscal year, the Corporation shall allocate 0.5~5% as the remuneration for employees and the remuneration may be distributed by ways of stock dividend or cash dividend. The subjects of the distribution shall include the employees of the subordinate company with certain conditions and proportion of the distribution authorized by the Board of Directors.

Less than 3% of above mentioned earnings of the Corporation can be distributed as the remuneration for the Directors (Financial Advisors) in accordance with the resolution of the Board of Directors. The subject of the distribution shall not include the managerial personnel who act as proxy of the Directors. The distribution of remuneration to employees, Directors (Financial Advisors) shall be reported at the shareholder's meeting. In case the Corporation still has accumulated losses, a certain amount of earnings shall be reserved before the distribution of remuneration to employees, Directors (Financial Advisors) in accordance with the proportion mentioned in the preceding paragraph.

Article 21, Section 1: The distribution of earnings or the covering of losses may be made on a quarterly basis after the close of each quarter. When the earnings are to be distributed in cash, the distribution shall be approved by the Board of Directors in accordance with Article 228-1 and Paragraph V of Article 240 of the Company Law and reported to the shareholders' meeting, instead of being submitted to the shareholders' meeting for acceptance.

The Corporation shall not pay dividends or bonuses to shareholders when there are no earnings. When allocating the earnings, the Corporation shall first estimate and reserve the taxes to be paid, offset its losses, set aside a legal capital reserve at 10% of the remaining earnings provided that the amount of accumulated legal capital reserve has not reached the amount of the paid-in capital of the Corporation, then set aside a

special capital reserve in accordance with relevant laws or regulations or as requested by the authorities in charge.

The industrial development of the Corporation is undergoing the business expansion phase and in great demand for funds; consequently, the distribution of surplus should be made in accordance with Company Act and the Corporation's articles of incorporation subject to the management of Corporation's capital and the business performance before determining the method of stock dividend. The principle of stock dividend shall follow the stability and balance policy, and the method of stock dividend (cash dividend or stock dividend) and the amount will be proposed by the Board of Directors in accordance with the business results, financial status and the management of capital.

In accordance with the dividend policy of the Corporation, the annual allocation of surplus to the shareholders shall not be less than 20%, the method of dividend can be made by cash or stock. While the cash dividend shall not be less than 20% of the total amount of cash and stock dividend.

Distribute all or part of dividends and bonuses or statutory surplus reserve and capital reserve, if cash is distributed, authorize the board of directors to attend with more than two-thirds of the directors, and after more than half of the attending directors agree, and report Shareholders meeting.

Chapter 7 Annex

Article 22: The Organization Procedure of the Corporation may be set separately.

Article 23: Unsettled matters not included in the article of incorporation shall be managed in accordance with the provisions of Company Act.

Article 24: The Statute was established on February 20th, 1989.

The first revised edition of the statute was made on October 12th, 1989.

The second revised edition of the statute was made on November 11th, 1990.

The third revised edition of the statute was made on December 9th, 1990.

The fourth revised edition of the statute was made on June 15th, 1991.

The fifth revised edition of the statute was made on July 4th, 1991.

The sixth revised edition of the statute was made on June 12th, 1992.

The seventh revised edition of the statute was made on June 4th, 1993.

The eighth revised edition of the statute was made on April 15th, 1994.

The ninth revised edition of the statute was made on April 28th, 1995.

The tenth revised edition of the statute was made on May 17th, 1996.

The eleventh revised edition of the statute was made on June 12th, 1997.

The twelfth revised edition of the statute was made on May 14th, 1998.

The thirteenth revised edition of the statute was made on May 26th, 2000.

The fourteenth revised edition of the statute was made on June 20th, 2002.
The fifteenth revised edition of the statute was made on June 25th, 2004.
The sixteenth revised edition of the statute was made on May 3rd, 2007.
The seventeenth revised edition of the statute was made on June 22nd, 2009.
The eighteenth revised edition of the statute was made on June 4th, 2010.
The nineteenth revised edition of the statute was made on October 4th, 2011.
The twentieth revised edition of the statute was made on June 21st, 2012.
The twenty-first revised edition of the statute was made on June 25th, 2013.
The twenty-second revised edition of the statute was made on June 24th, 2014.
The twenty-third revised edition of the statute was made on June 24th, 2016.
The twenty-fourth revised edition of the statute was made on June 23rd, 2017.
The twenty-fifth revised edition of the statute was made on June 20rd, 2019.
The twenty-sixth revised edition of the statute was made on June 24rd, 2020.
The twenty-seven revised edition of the statute was made on July 1st, 2021.
The twenty-eight revised edition of the statute was made on June 30th, 2022.