



# 晶豪科技股份有限公司

Elite Semiconductor Microelectronics Technology Inc.

## Articles of Incorporation

### Chapter 1. General Provision

- Article 1. The Corporation shall be incorporated as a company limited by shares under the Company Act of the Republic of China, and its name shall be 晶豪科技股份有限公司 in the Chinese language, and ELITE SEMICONDUCTOR MICROELECTRONICS TECHNOLOGY INC. in the English language.
- Article 2. The Company is engaged in the following business:
- (I) CC01080 Electronic Parts and Components Manufacturing
  - (II) I301010 Software Design Services
  - (III) F401030 Manufacture Export
- The Company is engaged in the research, development, production, manufacture, and sales of the following products:
- 1. DRAM manufactured under 0.21 micron (incl.) process and all SRAM and Flash Memory manufactured under 0.25 micron (incl.) process.
  - 2. Analog integrated circuit
  - 3. Analog and digital mixed integrated circuit
  - 4. Technical services related to product design and R&D related to the Company's business.
  - 5. Import and export trade business related to the Company's business.
- Article 3. The Company may act as a guarantor for others due to business requirements.
- Article 4. The total amount of the Company's reinvestment shall not be subject to the restriction of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Act. Any matters regarding the reinvestment shall be resolved in accordance with the resolutions of the BOD.
- Article 5. The Company set up head offices in Hsinchu Science Park, upon resolution of the BOD and approval of competent authority, to set up branches or offices at various locations within and without the territory of ROC.
- Article 6. The Company shall make public announcements in accordance with Article 28 of the Company Act.

### Chapter 2. Shares

- Article 7. The capital sum of the Company is NT\$3,500,000,000 to be divided for 350,000,000 shares at par value of NT\$10 per share. Unissued shares may be issued in installments in accordance with the resolution of the BOD. 20,000,000 shares are reserved for the subscription of subscription warrants, preference shares with subscription warrants, or corporate bonds with warrants.

The Company's bough-back treasury shares are assigned or transferred to subsidiary company employees who meet certain conditions.

The Company's share subscription warrants are entitled to subsidiary company employees who meet certain conditions

When the Company issues new share, the obtaining of new shares is entitled to subsidiary company employees who meet certain conditions.

The Company's restricted stocks are entitled to subsidiary company employees who meet certain conditions.

Article 8. The Company issues registered shares and each stock certificate shall be duly certified or authenticated in accordance with the law before issuance. The company may issue shares without printed certificates. However, those shares shall be registered with Taiwan Depository & Clearing Corp., or may print a new consolidated certificate to represent the total number of shares of that new issue.

Article 8-1. The shares issued by the Company may be merged and reissued in large denominations at the request of Taiwan Depository & Clearing Corp.

Article 9. The rename for transferring shares shall be suspended by 60 days before an annual shareholders' meeting, or 30 days before a temporary shareholders' meeting, or five days before the Company decides to distribute stock dividends, bonuses, or other benefits.

### Chapter 3. Shareholders' Meetings

Article 10. Shareholders' meetings are of two types: (1) annual meetings and (2) special meetings. Annual meetings will be convened by the BOD in accordance with the law once a year within six months after the close of each fiscal year. Special meetings will be called for any time under law as necessary.

The shareholders' meeting of the Company can be held by means of video conferencing or other methods promulgated by the central competent authority.

The prerequisites, procedures and other compliance matters of shareholders' meeting held by means of video conferencing shall be subject to prescriptions provided for by the competent authority in charge of securities affairs.

Article 11. Shareholders who are unable to attend the shareholders' meetings in person may appoint a proxy to attend the meeting by providing a signed and sealed proxy form issued by the Company stating the scope of the proxy's authorization. The attendance of shareholders shall be handled not only in accordance with Article 177 of the Company Act, but also the provisions in "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" stipulated by competent authorities.

Article 12. A shareholder shall have one voting right in respect of each share held.

Article 13. At a shareholders' meeting, it shall be presided over by the chairman of the BOD. Under circumstances where the chairman is unable to perform his/her duty for any

reason, the shareholders' meetings shall be presided over in accordance with Paragraph 3, Article 208 of the Company Act. If the shareholders' meetings are convened by a party with power to convene but other than the BOD, the convening party shall host the meeting. When there are two or more such convening parties, they shall mutually select a chairman from among themselves.

Article 13-1. Matters related to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman of the shareholders' meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The aforementioned meeting minutes may be distributed and announced.

Article 14. Except otherwise regulated by the Company Act, a shareholders' meeting resolution is passed when more than half of all outstanding shares are represented in the meeting and voted in favor by more than half of all voting rights represented at the meeting.

#### Chapter 4. Directors and Supervisors

Article 15. The BOD of the Company shall appoint seven to eleven Directors with a three-year term by means of a candidate nomination system, and the shareholders shall elect Directors from among the nominees and Directors may be re-elected after the term. Amongst the Directors' number mentioned above, there shall be no fewer than three independent Directors and they must not represent less than one-fifth of the Board. Independent Directors and Non-Independent Directors shall be elected at the same time and the quota shall be calculated separately.

The Company may purchase liability insurance policies to insure itself against liabilities that arise due to operational decisions made by Directors during their terms of service.

Article 15-1. The Company has set up an Audit Committee pursuant to Article 14-4 of the Securities and Exchange Act. The Audit Committee consists of all Independent Directors. The duties and other related matters of the Audit Committee shall be performed as stipulated by the Company Act, Securities and Exchange Act, and other regulations.

Article 15-2. In calling a meeting of the BOD, a notice stating the cause of the meeting shall be given to each Director no later than seven days prior to the scheduled meeting date. Under emergent circumstances, however, a meeting may be called at any time.

The Company's BOD advices may be delivered via written documents, fax or email.

Article 16. The BOD shall be organized by Directors. The BOD shall elect a Chairman from among the Directors by a majority vote at a meeting attended by over two-thirds of the Directors and may also elect a Vice Chairman when deemed necessary for business operations. The Chairman shall represent the Company externally.

Article 17. In case the Chairman is on leave or absent or cannot exercise his/her power and authority for any cause, his/her representative shall be selected according to Article 208 of the Company Act.

- Article 18. Unless otherwise regulated by the Company Act, the BOD's resolutions are passed only when more than half of the Board members are present in a meeting, and with more than half of attending Directors voting in favor. In case a Director is unable to attend the BOD's Meeting in person, he/she may appoint another Director to attend the meeting on his/her behalf; he/she shall issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A Director may accept the appointment to act as the proxy of one other Director only. BOD can be convened by a video conference, and those who participate in the meeting using video conferencing are considered to have attended the meeting in person.
- Article 19. Any significant matters regarding the Company's operation and policies, other than those which shall be by law or approved by resolution at a shareholders' meeting, shall be approved by resolution at a Board meeting.
- Article 19-1. The BOD shall be authorized to determine the remuneration to the Company's Directors based on the standard generally adhered to by other firms of the same industry.
- Article 20. Deleted

#### Chapter 5. Managerial Personnel

- Article 21. The Company shall have a President and several Vice Presidents. The appointment, discharge and the remuneration shall be done in accordance with Article 29 of the Company Act.

#### Chapter 6. Accounting

- Article 22. The fiscal year of the Company shall start from January 1 to December 31, and the Company makes final accounts at the end of each fiscal year.
- Article 23. The BOD shall prepare the following statements at the end of each accounting period and submitted them to the annual shareholders' meeting for ratification.
- (I) Business Report
  - (II) Financial Statements
  - (III) Proposal Concerning Earnings Distribution or Covering of Losses.
- Article 24. The Company's annual profit, if any, shall be distributed in the following order:
- (I) Pay taxes
  - (II) Offset the losses
  - (III) Appropriate 10% as legal reserve, excepting for the accumulated legal reserve that has reached total paid-in capital of the Company
  - (IV) Appropriate or reversal for special reserve by law
  - (V) The remaining earnings, together with the accumulated undistributed earnings from the previous period, shall be allocated as dividends for shareholders and will be distributed according to the shareholders' meeting.

The Company is still at the growth stage of related industry life cycle. In response to

future capital needs, long-term financial plans, and shareholders' demand for cash dividends, the distributable earnings in the current year can all be allocated. The allocation plan is made by the BOD according to regulations and should be resolved by the shareholders' meeting. The Company may distribute dividends to shareholders in cash or stocks. The ratio of cash dividends shall be no less than 50% of the total dividends of the shareholders.

Where earnings, legal reserve, and capital reserve are distributed entirely or partially in cash, the BOD shall be authorized, pursuant to Articles 240 and 241 of the Company Act, to approve the distribution by a resolution adopted by a majority of the Directors at a meeting attended by over two-thirds of the total number of BOD. The distribution by a resolution of BOD shall be reported to the Shareholders' Meeting.

Article 24-1. Based on the profit of the year, the Company shall appropriate no less than 5% of the profit as compensation to employees, and no more than 1% of the profit as remuneration to Directors. However, profits must first be taken to offset against cumulative losses if any. The compensation of employees shall be distributed in stock or cash, and the recipients of shares or cash may include the subsidiary company employees who meet certain conditions.

“The profit of the year” referred in the preceding paragraph means earnings before tax, after deduction the compensation to employees and the remuneration to Directors.

The distribution of the compensation to employees and the remuneration to Directors shall be approved by a majority of the Directors at a meeting attended by over two-thirds of the total number of BOD, and then be reported to the Shareholders' Meeting.

#### Chapter 7. Supplementary Provisions

Article 25. Any matters that are not addressed in the Articles of Incorporation shall be governed by the Company Act and relevant laws and regulations.

Article 26. The Articles of Incorporation was instituted on May 20, 1998.

The first amendment was made on May 28, 1999.

The second amendment was made on Feb. 25, 2000.

The third amendment was made on Mar 31, 2000.

The fourth amendment was made on Jun. 18, 2001.

The fifth amendment was made on Jun. 19, 2002.

The sixth amendment was made on Feb. 18, 2003.

The seventh amendment was made on Jun. 6, 2003.

The eighth amendment was made on Jun. 25, 2004.

The ninth amendment was made on Jun. 13, 2005.

The tenth amendment was made on Jun. 23, 2006.

The 11th amendment was made on Jun. 15, 2007.

The 12th amendment was made on Jun. 13, 2008.

The 13th amendment was made on Jun. 18, 2010.  
The 14th amendment was made on Jun. 15, 2017.  
The 15th amendment was made on Jun. 15, 2012.  
The 16th amendment was made on Jun. 11, 2013.  
The 17th amendment was made on Jun. 2, 2015.  
The 18th amendment was made on Jun. 14, 2018.  
The 19th amendment was made on Jun. 13, 2019.  
The 20th amendment was made on Jun. 15, 2020.  
The 21th amendment was made on Jul. 12, 2021.  
The 22th amendment was made on Jun. 15, 2022.  
The 23th amendment was made on May 30, 2023.