

King Yuan Electronics Co., Ltd.
The Articles of Incorporation

Chapter I General Rules

Article 1: The Company is organized by regulations of the Company Act and named King Yuan Electronics Co., Ltd. (KYEC) (Chinese name: 京元電子股份有限公司)

Article 2: The Company's business matters shall include:

- I. Designing, manufacturing, testing, accessories, processing, packaging, trading of various integrated circuits (IC).
- II. Different types of burn in equipment, and manufacturing, processing, and trading of its components.
- III. As well as import/export trade of said products.
- IV. We also act as an agent for the quotation, bidding and distribution of different products for Taiwanese and foreign manufacturers.
- V. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1: When the Company becomes a shareholder of limited liability in other companies, the total amount of its investments is not subject to Article 13 of the Company Act which states that the total amount of its investments in such other companies shall not exceed forty percent of the amount of its own paid-up capital.

Article 2-2: The Company may provide guarantees to external parties for business needs.

Article 3: The Company shall have its head office in Hsinchu City, and when it is determined to be necessary, upon the resolution of the board of directors, branch offices may be established domestically or overseas.

Article 4: Deleted.

Chapter II Shares

Article 5: The total capital of the Company shall be NT\$18 billion, divided into 1.8 billion shares (including 30 million shares for employee stock option certificates) at a par value of NT\$10 per share, and issued at discrete times. The board of directors has been authorized to issue the shares in installment according to business needs.

Article 5-1: Where the price of employee stock option certificates of the Company is lower than the Company's common share price closed on the date of issuance, the issuance of such employee stock option certificates shall only be made with the consent of attending shareholders representing more than two-thirds of the total voting rights in a shareholders' meeting attended by shareholders representing a majority of the total issued shares.

To transfer shares to employees at less than the average actual share repurchase price, the Company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing a majority of total

issued shares before the transfer of shares.

Article 6: Deleted.

Article 7: The share certificates of the Company shall be in registered form and shall be numbered, and 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 any share certificate for the shares issued and the issued shares shall be registered with a centralized securities depository enterprise.

Article 8: Any change and transfer registration of shares shall be prohibited within sixty days prior to the ordinary shareholders' meeting, thirty days prior to the extraordinary shareholders' meeting, or five days prior to the record date for the distribution of dividends and bonuses or other interests by the Company.

Chapter III Shareholders meeting

Article 9: The shareholders' meeting is classified into two types, the ordinary shareholders' meeting and the extraordinary shareholders' meeting. The ordinary shareholders' meeting shall be convened once per year, and shall be convened by the board of directors according to the law within six months after the close of each fiscal year. The extraordinary shareholders' meeting shall be convened whenever necessary according to the law.

Article 10: Where a shareholder for any reason cannot attend the shareholders' meeting in person, he/she/it may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy.

Article 11: The Company's shareholders shall have one vote for each share, except for where the shares have no voting rights under Article 179 of the Company Act and where directors have made pledges under Article 197-1, Paragraph 2 of the Company Act.

Article 12: Unless otherwise specified in the Company Act, any resolution at a shareholders' meeting shall be adopted by a majority of the shareholders present, who are representing more than half of the total number of the Company's outstanding shares, and shall be executed based on the majority of the voting rights of attending shareholders.

Article 12-1: The agenda of the Company's shareholders' meetings, except as otherwise provided by law, regulations, or the Articles of Incorporation, shall be as provided in the Shareholders' Meeting Rules of Procedure.

Chapter IV Directors and Audit Committee

Article 13: The Company shall appoint 7 to 11 directors who shall serve a 3-year term. The candidate nomination system is adopted and directors shall be selected from a candidate list by the shareholders' meeting and may be reelected to further terms. The Company may take out liability insurance for the directors with respect to liabilities resulting from the performance of duties during

their terms of office.

Among the number of directors of the preceding paragraph, there shall be at least 3 independent directors, and the number of independent directors shall not be less than one-third of all directors. All independent directors may not serve more than three consecutive terms.

Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be in compliance with the relevant regulations set out by the securities competent authorities.

Article 13-1: The Company shall establish an Audit Committee pursuant to Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed of the entire number of independent directors.

The Audit Committee's members, term of office, powers and authorities, rules of procedure, and resources provided by the Company to facilitate its exercise of powers shall be in accordance with the regulations stipulated in the Audit Committee Charter.

Article 14: The board of directors shall be formed by directors. A Chairman shall be elected from among the directors during a board meeting attended by more than two-thirds of directors and with the consent of more than half of all attending directors. In addition, a Vice-Chairman may be elected from among the directors through the same method described above. The Chairman of the board of directors shall internally preside over the shareholders' meeting and the meeting of the board of directors, and shall externally represent the Company.

Article 15: In cases where the Chairman is on leave or absent or cannot exercise his powers and authority for any cause, the proxy thereof shall be handled according to the provisions of Article 208 of the Company Act and the Company's Rules and Procedures for Board of Directors Meetings.

Article 15-1: Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting by presenting a power of attorney in order to act as a proxy for attending the meeting on his/her/its behalf. The proxy described in the preceding paragraph shall be limited to accepting the appointment of one director only.

Article 15-2: The authorities of the board of directors are as follows:

1. Review of management policies and mid- to long-term development plans.
2. Review and ensure implementation of annual business plans.
3. Review of budget and final accounts.
4. Review of plans for capital increase or decrease.
5. Review of proposals for earnings distribution or making up loss.
6. Review of important external contracts.
7. Review of articles of incorporation or amendments thereof.
8. Review of the Company's organizational rules and important business rules.

9. Agreement on establishment, reorganization or cancellation of branches.
10. Review of major capital expenditure plans.
11. Appointment and discharge of managerial officers.
12. Implementation of the resolutions made in shareholders' meetings.
13. Review of matters proposed by managers.
14. Convention of shareholders' meeting and business report.
15. Other operations that shall be handled in compliance with the law.

Article 16: For the remuneration of all directors, the board of directors is authorized to reach a resolution on such remuneration based on their participation level and value of contribution to the operation of the Company along with the consideration of the common standard adopted in the same industry.

Chapter V Managers

Article 17: The Company may appoint managers. The appointment, discharge and remuneration of the managerial officers shall comply with the provisions of Article 29 of the Company Act and relevant laws and regulations.

Chapter VI Accounting

Article 18: At the end of each fiscal year of the Company, the board of directors shall prepare the reports and statements of 1. Business report, 2. Financial statements and 3. Proposal for distribution of surplus earnings or covering losses, for submission to the ordinary shareholder's meeting according to the law in order to request approval thereof.

Article 19: Where there is a profit in the current year, the Company shall allocate 8–10 percent of the profit as the remuneration to employees, and no more than 1 percent thereof as directors' remuneration. However, if the Company has cumulative losses, an amount sufficient to make up losses shall be retained.

The employee remuneration amount referred to in the preceding paragraph shall include no less than 2% of the remuneration for non-executive employees. Employees' remuneration is distributed in the form of shares or in cash; those receiving such remuneration must include employees of subordinate companies meeting certain criteria. The criteria and method of distribution shall be determined by the Board of Directors which is authorized to do so. "Profit in the current year" as referred to in the first paragraph means benefits before the distribution of employee remuneration and directors remuneration is deducted from current pre-tax benefits.

The Company may, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' remuneration and directors' remuneration, and in addition thereto, a report of such distribution shall be submitted to the shareholders' meeting.

Article 20: If the Company's final statement for the year shows earnings, funds shall first be set aside for tax payments and to make up past losses, and another 10% shall be then be set aside as statutory

reserve; Furthermore, depending on the Company's operating needs and the requirements of laws and regulations, the Company may set aside or reverse a special reserve; if there are still earnings and undistributed earnings at the beginning of the period, the board may draft a proposed earnings distribution plan, which shall be presented to the shareholders meeting for resolution. The Company's dividend policy shall be conditioned by the investment environment, capital needs, domestic and international competition, and capital budgeting of the Company at the present moment and in the future. Shareholders' interest, balance of dividend payment and long-term financial planning of the Company shall also be taken into consideration by the board of directors when the board proposes the motion for allocation of stock dividends annually as required by law and presents the same before the general meeting of shareholders for ratification. The Company is currently in the growth stage of its life cycle and is still in need of capital for expansion and investment in the future. The cash dividend allocated to shareholders in the current year shall be no less than 20% of the total dividends to the shareholders for the year.

Chapter VII Supplemental Provisions

Article 21: Any matter not specified in these Articles of Incorporation of the Company shall be handled in accordance with the regulations of the Company Act.

Article 21-1: The Company's various rules and procedures shall be further established separately.

Article 22: These Articles were established on May 2, 1987

1st amendment was made on May 20, 1987

2nd amendment was made on November 22, 1988

3rd amendment was made on December 12, 1988

4th amendment was made on February 5, 1990

5th amendment was made on May 3, 1990

6th amendment was made on June 7, 1992

7th amendment was made on April 28, 1994

8th amendment was made on December 28, 1994

9th amendment was made on July 21, 1995

10th amendment was made on September 13, 1995

11th amendment was made on August 2, 1996

12th amendment was made on September 25, 1996

13th amendment was made on March 14, 1997

14th amendment was made on August 20, 1997

15th amendment was made on April 30, 1998

16th amendment was made on April 20, 1999

17th amendment was made on April 10, 2000

18th amendment was made on March 12, 2001

19th amendment was made on May 7, 2002

20th amendment was made on December 19, 2002
21st amendment was made on June 9, 2003
22nd amendment was made on June 1, 2004
23rd amendment was made on June 1, 2004
24th amendment was made on June 13, 2005
25th amendment was made on June 13, 2005
26th amendment was made on June 12, 2006
27th amendment was made on June 12, 2006
28th amendment was made on June 13, 2007
29th amendment was made on June 13, 2008
30th amendment was made on June 10, 2009
31st amendment was made on June 15, 2010
32nd amendment was made on June 15, 2011
33rd amendment was made on June 15, 2012
34th amendment was made on June 12, 2014
35th amendment was made on June 8, 2016
36th amendment was made on August 3, 2021
37th amendment was made on May 31, 2024.
38th amendment was made on May 27, 2025.