

# Articles of Incorporation of AP Memory Technology Corporation

(Note: This English translation is provided for reference only and might not exactly reflect the true meaning and full text of the original language.)

## Article 1

The Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be 愛普科技股份有限公司 in the Chinese language and AP Memory Technology Corporation in the English language.

## Article 2

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

- CC01080: Electronic parts and components manufacture.
- F401010: International Trade.
- I501010: Product design.
- F601010: Intellectual Property
- ZZ99999: All business items that are not prohibited or restricted by law, except those that are subject to special approval.

## Article 3

The Company is headquartered in the Hsinchu County, Republic of China, and shall be free, upon approval of the Board of Directors and government authorities in charge, to set up representative or branch offices at various locations within or outside the territory of the Republic of China, whenever the Company deems it necessary.

## Article 4

When the Company becomes a shareholder of limited liability of another company, the total amount of the Company's investment will not be subject to the restriction of not more than 40% of the Company's paid-in capital as provided in Article 13 of the Company Act.

## Article 5

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

## Article 5-1

The Company may provide endorsement and guarantee to other companies. The process shall be handled in accordance with the Company's Operating Procedures of Endorsement/Guarantee.

## Article 6

The total capital stock of the Corporation shall be in the amount of 1,000,000,000 New Taiwan Dollars, divided into 200,000,000 shares, at 5 New Taiwan Dollars each, and may be paid-up in installments. The Corporation may issue employee stock options from time to time. A total of 20,000,000 shares among the above total capital stock should be reserved for issuing employee stock options, preferred shares with warrants, and Bond with warrant from time to time in accordance with the resolution of the Board of Directors

## Article 6-1

To issue employee stock warrants that are lower than the closing price of the company stocks as of the issuing date., the Corporation is required to obtain the consent of at least two-thirds of the voting rights represented at a shareholders meeting attended by shareholders representing a majority of the total issued shares. The Corporation is allowed to register multiple issues over a period of 1 year from the date of the shareholders resolution. The Corporation shall be required to specify the following information in the notice of reasons for convening the shareholders meeting, and may not raise the matter by means of an extraordinary motion according to "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" and the related regulations.

**Article 7**

The share certificates of this Corporation shall all be name-bearing share certificates, and issued in accordance with this Corporation Law and relevant rules and regulations of the Republic of China. This Corporation is exempted from printing any share certificate for the shares issued. Such unprinted issued shares shall be registered with a centralized securities depository enterprise.

**Article 8**

Changing in record of shareholder name shall be made in accordance with Article 165 of the Company Act.

**Article 9**

Shareholders' meetings of the Company are of two types, namely: (1) Annual General Shareholders' Meetings – which shall be convened by the Board of Directors within 6 months after the end of each fiscal year, and (2) Special Shareholders' Meetings – which shall be convened whenever necessary in accordance with the relevant laws, rules and regulations of the Republic of China.

For shareholders holding less than 1,000 registered shares, the notice of meeting will be sent by public announcement instead of physical mail.

Notice of a meeting may be sent through electronic way if the counterparty agrees.

The shareholders' meeting may be held by video conference or other means announced by the central competent authority.

**Article 10**

A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy. In addition to Article 177 of this Corporation Law, management of the proxies shall follow Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

**Article 11**

Each share of stock shall be entitled to one vote.

**Article 12**

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.

**Article 12-1**

The shareholders may exercise their voting power in writing or by way of electronic transmission in a shareholders' meeting. The method of exercising voting power shall be described in the shareholders' meeting notice. In addition to regulatory requirements, this Corporation shall adopt the electronic transmission as one of the methods for exercising the voting power in a shareholders' meeting.

**Article 13**

If the Corporation limited by shares which is organized by a single government shareholder or a single juristic person shareholder, the functional duties and power of the shareholders' meeting of the Corporation shall be exercised by its board of directors, to which the provisions governing the shareholders' meeting as set out in this Articles of Incorporation shall not apply.

**Article 13-1**

The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the chop of the chairman of the meeting. Such minutes, together with the attendance list and proxies, shall be filed and kept at the head office of the Corporation.

**Article 14**

The Corporation shall have seven to nine Directors. The Board of Directors is authorized to determine the number of Directors. The aforesaid Board of Directors must have at least three independent directors.

Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 of the Company Law. The nomination of directors and related announcement shall comply with the relevant regulations of the Company Law and the Securities and Exchange Law. The election of independent directors and non-independent directors shall be held together; provided, however, the number of independent directors and non-independent directors elected shall be calculated separately.

**Article 14-1**

In compliance with Articles 14-4 of the Securities and Exchange Law, the Corporation shall establish an Audit Committee, which shall consist of all independent directors. The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Law, the Securities and Exchange Law and other relevant regulations.

**Article 15**

The Board of Directors shall be formed by elected Directors. The Directors shall elect from among themselves a Chairman of the Board of Directors by a majority vote in a meeting attended by over two-thirds of the Directors. The Chairman of the Board of Directors shall be the chairman of shareholders' meetings, and shall have the authority to represent the Company.

Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, unless otherwise regulated by the Company Act. Directors may be notified of the Board of Directors meeting via written notices, as E-mail or fax. Except as otherwise provided in the Company Act of the Republic of China, a meeting of the Board of Directors may be held if attended by a majority or more of total Directors and resolutions shall be adopted with the concurrence of the majority or more of the Directors present at the meeting.

**Article 16**

In case the Chairman is on leave or otherwise cannot exercise his duty, should be in accordance with Article 165 of the Company Act.

**Article 17**

A Director may, by written authorization, appoint another Director to attend on his behalf any meeting of the Board of Directors, and to vote for him on all matters presented at such meeting, but no Director may act as proxy for more than one other Director. Any Director attending the meeting via video conference shall be deemed attending the meeting in person.

**Article 18**

The Board of Directors is authorized to determine the salary for Directors, taking into account the extent and value of the services provided for the management of the Corporation and the standards of the industry within the R.O.C. and overseas.

**Article 19**

The Company may appoint or Dismissal one or more managers in accordance with Article 29 of the Company Act.

**Article 20**

After the end of each fiscal year, in accordance with Article 228 of the Company Act, Business Report, Financial Statements and the Proposal Concerning Appropriation of Profits or Covering of Losses shall be prepared by the Board of Directors, and be submitted to the shareholders' meeting for acceptance.

**Article 21**

If there is any profit for a specific fiscal year, the Company shall allocate no less than 1% of the profit as employees' compensation and shall allocate at a maximum of 3% of the profit as remuneration to Directors, provided that the Company's accumulated losses shall have been covered in advance.

Employee's compensation may be distributed in the form of shares or in cash, and employees qualified to receive such compensation may include employees from affiliates companies who meet certain qualification. The Board of Directors is authorized to determine the qualification of such employees. The remuneration to Directors shall be paid in cash.

**Article 21-1**

If there is any profit in an annual general financial statement of the Company, such profit shall be distributed in the following orders:

1. Reserve for tax payments.
2. Offset accumulated losses in previous years, if any.
3. Legal reserve, which is 10% of leftover profits. However, this restriction does not apply in the event that the amount of the accumulated legal reserve equals or exceeds the Company's total capital stock.
4. Allocation or reverse of special reserves as required by law or government authorities.

5. The remaining net profits and the retained earnings from previous years will be allocated as shareholders' dividend.

The Board of Directors will prepare a distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution.

Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's current and future investment environment, needs for capital, domestic and overseas competition, capital budgeting plans, etc., to come out with a proposal that strike a balance among shareholders' benefits and the Company's long-term financial plans. Each year the Board of Directors shall prepare a profit distribution proposal and report it at the shareholders' meeting. After considering financial, business and operational factors, the Company may distribute the whole of distributable profits for the year; dividends to shareholders may be distributed in cash or in stock, and the cash dividends shall not be lower than 20% of total dividends to shareholders.

**Article 22**

For matters not provided for in the Articles of Incorporation, it shall be handled in accordance with the Company Act of the Republic of China.

**Article 23**

These Articles of Incorporation were resolved on July 21, 2011. The first amendment was made on November 8, 2011, the second amendment was made on May 4, 2012, the third amendment was made on June 21, 2012, the fourth amendment was made on June 4, 2014, the fifth amendment was made on June 23, 2015, the sixth amendment was made on May 27, 2016, the seventh amendment was made on June 6, 2019, the eighth amendment was made on August 20, 2021, the ninth amendment was made on May 27, 2022