

# EPISIL-PRECISION INC.

## Articles of Incorporation

### CHAPTER 1: GENERAL PROVISIONS

- 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 EPISIL-PRECISION INC in the Chinese language, and EPISIL-PRECISION INC. in the English language.
- Article 2      The business of the company is as follows:  
CC01080 electronic components manufacturing industry  
I501010 product design industry  
IZ99990 other business services  
I199990 other consulting services  
F401010 international trade  
C801010 basic chemical industry (limited to the tenant of No. 3, Innovation Rd.1, Science Park, Hsinchu)  
F207200 chemical raw material sales (limited to the tenant of No. 3, Innovation Rd.1, Science Park, Hsinchu)  
    (1) Research, design, develop, manufacture and sell the following projects and their application products:  
        1. Epitaxial silicon wafers and silicon materials.  
        2. Sapphire rod, wafer and sapphire substrate silicon epitaxy (SOS).  
        3. Compound semiconductor epitaxial wafer.  
    (2) Before the product technology, consulting services business.  
    (3) Import and export business related to the above products.  
    (4) Hydrogen production and sales of the former products. (limited to the tenant of No. 3, Innovation Rd.1, Science Park, Hsinchu)
- Article 3      The total amount of the Corporation' s reinvestment shall not be subject to the restriction of not more than forty percent of the Corporation' s paid-up capital as provided in Article 13 of the Company Law. Any matters regarding the reinvestment shall be resolved in accordance with the resolutions of the Board of Directors.
- Article 3-1     The Corporation may provide endorsement and guarantee and act as a guarantor.
- Article 4      The Corporation shall have its head office in Hsinchu Science Park, Taiwan,

Republic of China, and shall be free, upon approval of government authorities in charge, to set up representative and branch offices at various locations within and without the territory of the Republic of China, wherever and whenever the Corporation deems it necessary or advisable to carry out any or all of its activities.

Article 5 Public announcements of the Company shall be duly made in accordance with the Article 28 of the Company Act.

#### CHAPTER 2: CAPITAL STOCKS

Article 6 The total capital stock of the Company shall be in the amount of NTD5,000,000,000, divided into 500,000,000 shares, at NTD10 par value, and may be issued separately.

Among the total capital stock indicated in the first paragraph, the amount of shares 5,000,000 should be reserved for issuing options for stock, preferred stock, or corporate bond.

Where the Company repurchases the shares of the Company, only qualified employees of parents or subsidiaries meeting certain specific requirements are entitled to receive shares. Only qualified employees of parents or subsidiaries meeting certain specific requirements are entitled to receive share subscription warrant of the Company.

Upon issuing new shares of the Company, only qualified employees of parents or subsidiaries meeting certain specific requirements are entitled to subscribe for the shares.

Upon issuing new restricted stock for employees of the Company, only qualified employees of parents or subsidiaries meeting certain specific requirements are entitled to receive the restricted stock.

Article 7 The share certificate of this Company shall be issued in registered form and signed by or affixed with the seal of Represented a directors and numbered accordingly. The shares won't be effective until the authentication of the competent authority or the agencies of issuance and registration under their approval.

The Company may not print share certificates for the issuance.

Registers of share certificates shall contact the share certificates' depositary and clearing organizations and follow the regulations of that enterprise.

Article 8 All the Company' s stockholder-related affairs shall be dealt in accordance with Regulations Governing the Administration of Shareholder Services of Public Companies.

### CHAPTER 3: SHAREHOLDERS' MEETINGS

- Article 9      The shareholders' meeting shall be convened in two forms: a regular meeting or extraordinary meeting.
1. The regular meeting shall be held once annually and convened by the Board of Directors within six months from the closing of each fiscal year in accordance with the relevant regulations.
2. An extraordinary meeting, if necessary, shall be convened in accordance with the Company Law or relevant regulations.
- The company's shareholders' meeting can be held via video conference or other methods announced by the central competent authority.
- Article 10     A shareholder who is unavailable to attend a shareholders' meeting may duly issue a power of attorney expressly bearing the scope of the authorized power to appoint a proxy to attend the meeting on behalf.
- Article 11     When the shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. In case of the Chairman's absence or unavailability, his proxy shall be the Vice Chairman. the Chairman shall, in advance, appoint a director to act in his place, but if the Chairman does not appoint his representative, one director shall be elected from among them to act in Chairman's place. In the event that the shareholders' meeting is convened by others instead of the Board of Directors, the shareholders' meeting shall be chaired by that convener. In case of two or more conveners, one of them shall be elected to chair the meeting.
- Article 12     Each share of stock shall be entitled to one vote
- Article 13     Unless otherwise provided for in the Company Law, resolutions in the shareholders' meeting shall be adopted by a majority vote in the meeting attended by shareholders representing a majority of the total issued shares.
- Article 13-1   The stock warrants issued by the company at a price lower than the closing price of the ordinary shares issued by the Japanese company shall not be issued until the consent of the board of shareholders representing more than half of the total number of shares issued and more than two-thirds of the voting rights of the shareholders present is obtained.
- Any transfer of the Company to an employee at a price lower than the average price of the company's ordinary shares actually purchased

shall be subject to the consent of more than two-thirds of the voting rights of the present shareholders representing more than half of the total number of shares issued at the last board meeting. An employee stock option certificate issued by the company with a subscription price lower than the closing price of the common stock of a Japanese company may only be issued with the consent of the shareholders' meeting representing more than half of the total number of issued shares and more than two-thirds of the voting rights of the shareholders present.

The transfer of the company's common shares to employees at a price lower than the average price of the actual repurchase of the company's common shares shall be approved by more than half of the shareholders representing the total number of issued shares present at the latest shareholders' meeting and more than two-thirds of the voting rights of the shareholders present.

Article 14 The minutes of the resolutions of the shareholders' meeting shall be made, signed or sealed by the chairman, and distributed to all shareholders within 20 days after the meeting. The distribution of the minutes referred to in the preceding paragraph may be made by public announcement.

#### CHAPTER 4: Directors and audit committee

Article 15 The company shall have seven to nine directors. Among the directors mentioned in the preceding paragraph, there shall be at least two independent directors, who shall not be less than one fifth of the number of directors.

The system of nomination of candidates is adopted in the election of directors. The acceptance method and announcement of the list of directors' candidates shall be handled in accordance with the relevant laws and regulations of the company law and the securities and exchange law. Independent directors and non independent directors shall be elected together and the number of elected directors shall be calculated separately.

The audit committee is composed of all independent directors according to laws and regulations of the company. The Audit Committee exercises its functions and powers in accordance with Article 14-4 of the securities and exchange law and relevant laws and regulations.

Article 16 The election of independent directors adopts the system of

nomination of candidates, which is elected by the board of shareholders on the list of candidates for independent directors. The professional qualifications, term of office, part-time restrictions, selection methods and other matters to be followed of independent directors shall be in accordance with the relevant provisions of the securities authority.

Article 17 When the term of office of a director has expired and he is unable to be re elected, his duties shall be extended until the re elected director takes office.

Article 18 The board of directors shall be convened by the chairman of the board of directors, except that the first board of directors of each term shall be convened by the director with the most voting rights. If the chairman of the board of directors is unable to perform his duties for some reason, it shall be handled in accordance with Article 208 of the company law.

Article 19 A resolution of the board of directors shall be approved by a majority of the directors present, except as otherwise provided by the related laws. If a director is unable to attend the board meeting for some reason, he may issue a power of attorney, list the scope of authorization for the reasons for convening the meeting, and entrust other directors to attend the board meeting on his behalf, provided that one person is entrusted by one person. The meeting of the board of directors of the company may be convened in writing, by e-mail or by fax.

Article 20 Minutes of the proceedings of the board of directors shall be made, signed or sealed by the chairman, and distributed to all directors within 20 days after the meeting. The distribution of the minutes referred to in the preceding paragraph may be made electronically.

Article 21 The board of directors shall be attended by more than two-thirds of the directors and approved by more than half of the directors present. One of them shall be elected as the chairman of the board of directors, and one of them may be elected as the vice chairman of the board of directors in the same way.

Article 22 This corporation may take out liability insurance for the directors in respect of their liability for compensation in accordance with the law..

Article 22-1 The remuneration of all directors shall be authorized to be determined by the board meeting in accordance with the normal level

of payment of the same industry.

#### SECTION 5:Managers and Staff

Article 23      The Company may appoint one CEO, one general manager and several deputy general managers in accordance with the resolution of the Board of Directors. The appointment, dismissal and remuneration thereof shall be handled in accordance with the Provisions of the Company Law. The general manager shall act as both CEO and CEO. The CEO oversees the company's operations and decisions, and is accountable to the chairman and board of directors. The general manager is responsible for carrying out the business and operation within the scope of authority and responsibility according to the company policy.

#### SECTION 6:Settlement

Article 24      The Company' s fiscal year starts from January 1 and ends on December 31 of every calendar year.  
Upon the closing of each fiscal year, the Board of Directors shall work out the following documents and present it at a regular meeting of shareholders for acknowledgement.

1.Business report

2.Financial statements

3.Proposal of earning distribution or loss coverage.

The distribution of the financial statements referred to in the preceding paragraph and decisions on the distribution of earnings or the appropriation of losses may be made by public announcement.

Article 25      The company shall allocate not less than 5% for the remuneration of its employees and not more than 2% for the remuneration of its directors according to the profit situation of the current year. However, if the company still has accumulated losses, it shall reserve the amount of compensation in advance.

Of the employee remuneration amount referred to in the preceding paragraph, no less than 1% shall be set aside for the distribution of remuneration to grassroots employees.

Article 25-1    If there is any surplus in the company's annual final accounts, tax shall be paid first to make up for the previous losses. The next 10% shall be used as the statutory surplus reserve, and then the special surplus reserve shall be appropriated or reversed according to the relevant laws and regulations. If there is any surplus, the shareholders' meeting shall decide to distribute the dividend or

reserve it.

The company authorizes the board of directors to present more than two-thirds of the directors and the resolution of more than half of the directors to distribute all or part of the dividends and bonus in the form of cash and report to the shareholders' meeting, which is not applicable to the provisions of the relevant shareholders' meeting resolution.

Article 25-2 The company authorizes the board of directors to distribute all or part of the capital reserve or statutory surplus reserve in the form of cash in the presence of more than two-thirds of the directors and the resolution of more than half of the directors, and report to the shareholders' meeting.

Article 26 The company will consider the industrial environment and growth stage, meet the future capital demand and long-term financial planning, and meet the shareholders' demand for cash flow. The annual amount of cash dividends shall not be less than 30% of the total amount of cash dividends and stock dividends issued in the current year.

#### SECTION 7: SUPPLEMENTARY PROVISIONS

Article 27 The rules and regulations of the company shall be formulated by the board of directors.

Article 28 The directors, managers and employees of the company shall not inform or disclose to others the confidential documents of the company or the technology, market, products and other confidential information obtained by participating in the operation of the company.

Article 29 Matters not provided for in this articles of incorporation shall be undertaken in accordance with relevant laws and regulations.

Article 30 This chapter is first enacted on October 15st, 1998;  
first revised on May 28st, 2001;  
second revision on April 23th, 2002;  
third revision on April 28th, 2006;  
fourth revision on May 30th, 2007;  
fifth revision on June 11th, 2008;  
sixth revision on June 25th, 2010;  
seventh revision on June 12th, 2012;  
eighth revision on September 24th, 2015;  
ninth revision on February 23th, 2016;

tenth revision on June 16th, 2016;  
eleventh revision on June 14th, 2019;  
twelfth revision on June 12th, 2020;  
thirteen revision on May 31th, 2023;  
fourteenth revision on June 13th, 2025