

SIWARD Crystal Technology Co., Ltd.

Articles of Incorporation

Chapter 1 General Provisions

- Article 1: The Company has been organized in accordance with the requirements stipulated in the Company Act in the name of SIWARD Crystal Technology Co., Ltd.
- Article 2: The Company's businesses are as follows:
1. Manufacturing and processing of quartz crystals.
 2. Manufacturing and processing of quartz crystal filters and oscillators.
 3. Manufacturing and processing of quartz raw materials.
 4. CC01080 Electronics components manufacturing
 5. Trading of machinery and equipment and parts for the above businesses.
 6. Import and export trading business.
 7. ZZ99999All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company is headquartered in Taichung, Taiwan. If necessary, the Company may establish branches in foreign countries in accordance with the law and subject to a resolution adopted by the Board of Directors.

Chapter 2 Shares

- Article 4: The total capital of the Company is set at NT\$2,300,000,000 divided into 230,000,000 shares for NT\$10 per share, issued in installments. The unissued shares are subject to be issued by resolution adopted by the Board of Directors depending on actual needs. 8 million shares among the above total shares have been reserved for the conversion of shares to be issued as employee stock options.
- Article 5: The Company's shares are issued after being signed or sealed by the director who represents the Company and certified by the competent authority or its approved issuing registration institutions in accordance with law.
- The Company's issued shares are exempted from printing any

share certificate; however, they shall be registered with a centralized securities depository enterprise.

Article 6: The Company's stock affairs are handled in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” promulgated by the competent authorities.

Article 7: Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of regular meeting of shareholders, and thirty (30) days immediately before the date of any special meeting of shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter 3 Shareholders' Meeting

Article 8: The shareholders' meeting is divided into general meeting and special meeting. The general meeting shall be held once a year within 6 months after the end of fiscal year. The special meeting shall be held in accordance with the relevant laws when necessary.

Article 9: When a shareholder is unable to attend a shareholders meeting for any reason, he/she may appoint a proxy by executing a power of attorney to attend the meeting with his/her signature or seal, clearly stating the scope of authorization. For the method of shareholders to delegate their attendance, except for complying with Article 177 of the Company Act, it shall be subject to the “Regulations Governing the Use of Proxies for Attendance at the Shareholders' Meetings of Public Companies” published by the competent authority.

Article 10: A shareholders' meeting shall be convened and presided over by the chairman. If the chairman is on leave, he/she shall appoint one of the directors to act on his/her behalf. Where the chairman fails to make such appointment, the directors shall select one of the directors to act on behalf of the chairman. If a shareholders' meeting is convened by any person who has the right to do so, other than the Board of Directors, the meeting shall be presided over by that person. Where there are two or more such persons, they shall select only one to preside over the meeting.

Article 11: A shareholder shall have one voting right for each share held,

unless otherwise provided by law.

Article 12: Unless otherwise provided by the Company Act, resolutions of the shareholders meeting shall be attended by shareholders who represent more than one-half of the total number of issued and outstanding shares.

Article 13: Resolutions adopted at a shareholders meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chair of the meeting and shall be distributed to all shareholders within 20 days after the close of the meeting. The preparation and distribution of the minutes of the shareholders meeting may be affected by means of public announcement. The minutes of the shareholders meeting shall record a summary of the essential points of the proceedings and the results of the meeting. The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept in the Company.

Chapter 4 Board of Directors

Article 14: The Company has seven to eleven directors. The number of directors is determined by the board of directors. The directors are elected under a candidate nomination system by the shareholders' meeting from a list of candidates. The directors may be reelected for consecutive terms. The total shareholdings of all directors are subject to the regulations of the securities authorities.

Article 14-1: In accordance with Article 14-2 of the Securities and Exchange Act, the Company shall have at least three independent directors among the directors. The professional competence, shareholdings, restrictions on concurrent positions, methods of nomination and election and other requirements of such independent directors shall be subject to the applicable regulations of the competent authority of securities.

Article 14-2: The Company shall establish an Audit Committee consisting of all the independent directors, responsible for supervisory duties as stipulated in the Company Act, the Securities and Exchange Act and other laws and regulations.

Article 15: Where at least one-third of the seats of directors are vacant, the Board of Directors shall convene a special shareholders' meeting within 30 days in accordance with the time limit stipulated in

Article 201 or Article 217-1 of the Company Act. The term of each director elected as such shall be limited to the remaining term of his/her predecessor.

Article 16: In case no election of new directors is expected after the existing directors' term of office expire, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office. However, the competent authority may, ex officio, order the company to elect new directors within a given time limit; and if no re-election is affected after expiry of the given time limit, the out-going directors shall be discharged from such expiration date.

Article 17: The directors shall organize a board of directors and shall elect a chairperson of the board directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The chairman shall execute all affairs of the Company in accordance with the regulations, the Articles of Incorporation, the resolutions adopted by the shareholders' meeting and board meeting. The chairperson represents the Company externally. If the chairman is unable to perform his/her duties for some reason, he/she shall appoint one of the directors to act on his/her behalf. Where the chairman fails to make such an appointment, the directors shall select one of the directors to act on behalf of the chairman.

Article 17-1: A notice of the reasons for convening a board meeting shall be given to each director and supervisor 7 days before the meeting is convened. In emergency circumstances, however, a meeting may be called on shorter notice.

The notice set forth in the preceding paragraph may be affected in writing, E-mail or fax.

Article 18: The Company's business policies and other important matters are resolved by the Board of Directors. Except for the first board meeting of each term which is convened in accordance with Article 203 of the Company Act, the rest of the meetings are convened by the chairman presided over by the chairman. If the chairman is unable to perform his/her duties, he/she shall appoint one person to act on his/her behalf. Where the chairman fails to make such an appointment, the directors shall select one of the directors to act on behalf of the chairman.

Article 19: Unless otherwise provided for in the Company Act, any resolution of the Board of Directors shall be adopted by a majority of the directors attending a meeting of the Board of Directors at which a majority of directors are present. A director who appoints another director to attend a board meeting shall issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting. The proxy may be the appointed proxy of only one person. In case a meeting of the board of directors is proceeded via videoconference, then the directors taking part in such a videoconference meeting shall be deemed to have attended the meeting in person.

Article 20: The resolutions of the Board shall be tracked as minutes of meeting on record, affixed with the authorized signature/seal of the presiding officer, and circulated among the Directors within 20 days after the session. The summary and result of the motions in discussion and voting shall be noted in the minutes of meeting on record. The minutes of meeting on record, the sign-in book for tracking attendance of the directors and the power of attorney for appointment of proxies shall be kept by the Company.

Article 21: The Company's remuneration to directors is determined by the Board of Directors based on the degree of the director's involvement in the Company's operations as well their contribution and value, with reference to standard remuneration paid by peers.

Chapter 5 Managers and Employees

Article 22: The Company shall have 1 General Manager and a number of managers. Their appointment, discharge and remuneration shall be subject to Article 29 of the Company Act.

Article 23: By resolution of the Board of Directors, the Company may hire consultants and important employees.

Chapter 6 Final Accounts

Article 24: At the end of each fiscal year, the Company's Board of Directors shall prepare the following which are to be submitted to the shareholders' general meeting for ratification in accordance with the law.

1. Business report.
2. Financial statements.

3. Proposals for earnings distribution or making up losses.

Article 25: Where there is a profit for the current year, the Company shall distribute 5% of the profit as remuneration to employees and not more than 3% of the profit as remuneration to directors. However, if the Company has accumulated losses, profit shall be set aside in advance to make up for the losses.

Profit refers to the net income before deducting remuneration to employees and remuneration to directors.

Article 25-1: As the industrial environment of the Company is volatile, the dividend policy must take into account the Company's future capital needs and long-term financial planning in order to meet the needs of shareholders for cash inflows. The Company's earnings, if any, in its annual final account shall be first used to pay income taxes and make up for its accumulated losses and then 10% of the said profits shall be set aside as Special reserves, as required by law or the competent authority. Where there is surplus, dividends may be paid to shareholders. Among them, cash dividends shall be no less than 10% of the total dividends to shareholders. The Board of Directors shall prepare a distribution proposal based on the actual profit and capital for the year. The proposal is submitted to the shareholders' meeting for resolution. If there is a reduction in accumulated shareholders' equity in the current year but there is not sufficient net income, a special reserve of the same amount should be set aside from the accumulated undistributed earnings of the previous year and deducted prior to the provision for distribution.

Chapter 7 Supplementary Provisions

Article 26: The Company may provide external guarantees.

Article 27: The Company is not subject to the 40% limit of Article 13 of the Company Act when making foreign investments and the implementation is authorized to the Board of Directors.

Article 28: The Company's Articles of Incorporation and Regulations shall be separately established by the Board of Directors.

Article 29: Matters not set forth for in these Articles shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 30: The Articles of Incorporation were established on January 19, 1988;

the 1st amendment was made on November 12, 1990; the 2nd amendment was made on March 16, 1992; the 3rd amendment was made on June 15, 1992; the 4th amendment was made on August 23, 1992; the 5th amendment was made on March 31, 1994; the 6th amendment was made on June 28, 1994; the 7th amendment was made on September 15, 1994; the 8th amendment was made on July 10, 1995; the 9th amendment was made on May 18, 1996; the 10th amendment was made on May 31, 1997; the 11th amendment was made on April 11, 1998; the 12th amendment was made on May 2, 2000; the 13th amendment was made on March 27, 2001; the 14th amendment was made on June 11, 2002; the 15th amendment was made on June 27, 2003; the 16th amendment was made on June 25, 2004; the 17th amendment was made on June 27, 2008; the 18th amendment was made on June 17, 2010; the 19th amendment was made on June 15, 2011; the 20th amendment was made on June 13, 2012; the 21st amendment was made on June 6, 2014; The 22nd amendment was made on June 22, 2016; The 23rd amendment was made on June 15, 2017; The 24th amendment was made on June 12, 2020.

SIWARD Crystal Technology Co., Ltd.
Chairman: Tseng, Ying-Tang

