

Articles of Incorporation of InnoCare Optoelectronics Corporation

Chapter 1 General Provisions

- Article 1 The Company is organized under the provisions of company limited by shares in accordance with the Company Act and is named 睿生光電股份有限公司. The English name of the Company is InnoCare Optoelectronics Corporation.
- Article 2 The scope of business of the Company shall be as follows:
- (1) CC01080 Electronics Components Manufacturing.
 - (2) CE01030 Optical Instruments Manufacturing.
 - (3) CE01990 Other Optics and Precision Instrument Manufacturing.
 - (4) CF01011 Medical Devices Manufacturing
 - (5) F401010 International Trade.
 - (6) F108031 Wholesale of Medical Devices.
 - (7) F208031 Retail Sale of Medical Apparatus.
 - (8) I501010 Product Designing.
 - (9) CE01010 General Instrument Manufacturing
 - (10) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- (R&D, design, production, and distribution of “Thin Film Transistor Photodiode (TFT-PD) panels,” “X-Ray Panel Image Detectors,” “X-Ray Sensor DR modules,” “X-Ray Detection Equipment,” and “International Trade Involving the above-mentioned products.”)
- Article 3 The headquarter of the Company is located in Southern Taiwan Science Park and the Company may establish branch offices within or outside the territory of the Republic of China pursuant to resolution of Board of Directors’ meeting and the approval of the competent authority, if necessary.
- Article 4 The total amount of investment of the Company shall not be subject to the restrictions of 40% of the amount of its own paid-in capital under Article 13 of the Company Act.
- Article 5 The Company may provide endorsements and guarantees externally as approved by the Board of Directors for operational purpose or for the sake of investment.
- Article 6 Announcements made by the Company are based on the requirements in Article 28 of the Company Act.

Chapter 2 Shares

- Article 7 The registered capital of the Company shall be NTD 500,000,000, divided into 50,000,000 shares with a par value of ten New Taiwan Dollars, to authorize Board of Directors at their discretion to issue separately. Among the registered capital indicated in the preceding paragraph, NTD 75,000,000 divided into 7,500,000 shares in total with a par value of ten New Taiwan Dollars, are to be reserved for issuance of employees’ share subscription warrants and to be issued in separate batches by a resolution of the Board of Directors.
- Article 8 For the issuance of employee stock option of the Company at a price less than market price, such issuance shall be in accordance with Articles 56-1 and 76 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers and shall be adopted by a resolution of shareholders’ meeting.
- If the Company transfers the buyback shares to its employees at a price less than average price of actual buyback price, such transfer shall be in accordance with Articles 10-1 and 13 of the Regulations Governing Share Repurchase by TWSE/TPEX-listed Companies and shall be adopted by a resolution (of two-thirds of the shareholders present who represent a majority of the total number of its outstanding shares) of its latest shareholders’ meeting.
- Article 9 The Company’s bought-back treasury shares according to the Company Act are assigned or transferred to subsidiary company employees meeting specific requirements. The Board of Directors are delegated to decide such requirements and methods of transfer.

The Company's share subscription warrants are entitled to subordinate company employees meeting specific requirements. The Board of Directors are delegated to decide such requirements and issuance methods.

When the Company issues new share, the new shares are entitled to subsidiary company employees meeting specific requirements. The Board of Directors are delegated to decide such requirements and methods of obtaining.

The Company's restricted stocks are entitled to subsidiary company employees meeting specific requirements. The Board of Directors are delegated to decide such requirements and distribution methods.

Article 10 The Company may be exempted from printing any share certificate for the shares issued, but shall appoint a centralized securities custody enterprise/institution to make recordation of the issue of such shares.

Article 11 The shareholder services of the Company shall be coped with in accordance with "Regulations Governing the Administration of Shareholder Services of Public Companies" proclaimed by the competent authority.

Article 12 No changes may be made to the Company's Shareholders' Register within sixty (60) days prior to the general shareholders' meeting or during the thirty (30) days prior to a special shareholders' meeting or during the five (5) days before the base date for distribution of dividends or bonus or other interests as decided by the Company.

Chapter 3 Shareholders' Meeting

Article 13 Shareholders' meeting of the Company shall be two kinds: regular meeting of shareholders: shall be convened within six months after close of each fiscal Year; special meeting of shareholders: to be held when necessary.

When the Company's shareholders' meeting is held, it may be held by video conference or other methods announced by the central competent authority.

If the shareholders' meeting is held by video conference, shareholders who participate in the meeting by video conference shall be deemed to have attended the meeting in person.

Article 14 With permissions from shareholders, the notice on a shareholders' meeting called for by the Company may be in the written or electronic form.

Article 15 Unless specified otherwise in the Company Act, a shareholders' meeting is called for by the Board of Directors and shall be chaired by the Chairman of the Board. When the Chairman is absent, the proxy is assigned according to Article 208 of the Company Act. If the shareholders' meeting is called for by someone outside the Board of Directors, the said someone shall chair the meeting. When there are more than two people calling for the meeting, one of them shall act as the chairman.

Article 16 Each shareholder of the Company is entitled to one vote per common share. Under circumstances subject to restrictions or no votes as specified in the Company Act or applicable laws and regulations, however, the shareholder will be entitled to no votes.

Shareholders may exercise their voting right in writing or electronically during a shareholders' meeting convened by the Company; when a voting right may be exercised in writing or electronically, it shall be specified so in the shareholders' meeting notice.

Article 17 When shareholders are unable to attend a shareholders' meeting, they may issue an authorization letter that is prepared by the Company specifying the scope of authorization and carries their signature/seal to authorize someone to attend it on their behalf.

For regulations on the proxies, besides the requirements in Article 177 of the Company Act and those in Article 25-1 of the Securities and Exchange Act, the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the competent authority shall be followed.

Article 18 Except otherwise regulated by the Company Act, resolutions made in shareholders' meetings shall be supported by attendance of shareholders representing a majority of outstanding shares and more than 50% of the votes of the attending shareholders.

For shareholders' meetings called for by the Company, "electronically" shall be included as a way to cast a vote.

Article 19 For decisions made in the shareholders' meeting, the meeting minutes shall be prepared and be signed or sealed by the chairman and the meeting minutes shall be distributed to respective shareholders within twenty days after the meeting.

The preparation and distribution of the meeting minutes shall be done electronically.

The distribution of meeting minutes indicated in Paragraph 1 may be done through announcement.

Article 20 (Deleted)

Chapter 4 Directors and Audit Committee

Article 21 The Company shall have five to nine directors for a term of three years. They are to be selected among people of legal capacity during shareholders' meetings and may be re-elected to serve consecutive terms.

If the representative of an institutional shareholder is elected as director, the said institutional shareholder may re-assign the director at any time so as to fulfill the unexposed term of the predecessor.

Among of the number of directors above, at least two of which shall be independent directors, and not less than one-fifth of the total number of directors. In case a candidate nomination system is adopted, the shareholders' meeting shall elect the directors from among the nominees listed in the roster of director candidates. The professional qualification, shareholding and part-time job restrictions, nomination methods and other matters that shall be followed of independent directors shall be subject to applicable requirements of the competent securities authority.

The candidate nomination system as required by Article 192-1 of the Company Act is adopted for the selection of directors. Shareholders are to select from the list of candidate directors.

The Company shall have directors covered by liability insurance for their legitimate liabilities of compensation within their term in office and scope of duties.

Article 21-1 The Company, as needed, may set up functional committees beneath the Board of Directors and their organization and functionality shall be based on applicable regulations defined by the competent authority.

Article 21-2 The Company, according to the Securities and Exchange Act, sets up the Audit Committee that consists of all independent directors; one of them will serve as the convener and at least one of them will be specialized in accounting or finance.

The Audit Committee set up by the Company according to law and its members exercise their duties as supervisors according to the Company Act, the Securities and Exchange Act and other laws and regulations, and Articles of Incorporation of the Company and applicable requirements.

Article 22 In the event that there are more than one-third of openings for directors, the Board of Directors shall call for a special shareholders' meeting for a by-election, with the tenure being the remainder of the existing one.

In the event that any independent director steps down for some reason to result in the number falling short of that specified in Paragraph 1 or the Articles of Incorporation, a by-election shall take place during the most recent shareholders' meeting. When all independent directors step down, the Company shall call for a special shareholders' meeting within 60 days for a by-election.

Article 23 In the event that the term in office of directors is due yet no re-election is taking place, the directors may continue to exercise their duties up to inauguration of the re-elected directors unless it is specified otherwise in the Company Act.

Article 24 The Board of Directors is formed by the directors and one Chairman and one Vice Chairman are elected by affirmative votes from a majority of attending directors that account for at least two-thirds of all directors. The Chairman represents the Company externally.

Article 25 Unless it is specified otherwise in the Company Act, resolution made by the Board of Directors shall be supported by a majority of attending directors that account for at least one-half of attending directors.

- Article 26 When a director is unable to attend a Board of Directors' meeting, a power of attorney may be issued indicating the cause of the meeting and the scope of authorization and be given to another director so that the latter may represent the absent director; each director, however, may only accept one power of attorney.
- Article 27 To call for a Board of Directors' meeting, respective directors shall be notified at least seven days in advance of the specific cause of the meeting. A Board of Directors' meeting, however, may be called for at any time in case of emergency and the notice on convening a Board of Directors' meeting may be done by fax or email.
- Article 28 If the Chairman is on leave or cannot exercise his/her power for some reason, the proxy is assigned according to Article 208 of the Company Act.
- Article 29 The remuneration to directors is based on the extent of their involvement in the Company's operations and value of their contribution with reference to the criteria adopted by counterparts in the industry.

Chapter 5 Manager

- Article 30 The Company may have managerial personnel, the appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with the Article 29 of the Company Act.

Chapter 6 Accounting

- Article 31 The fiscal year of the Company shall be from January 1 to December 31 every year.
- At the close of each fiscal year, the Board of Directors of the Company shall prepare the Operating Report, Financial Statements, and surplus earning distribution or loss off-setting proposals and forward to the General Shareholders' Meeting according to legal procedure for ratification.
- Article 32 In cases of profits for the year, the Company shall set aside no less than 5% as the remuneration to its employees and no higher than 1% as that to directors. In cases of accumulated deficits, on the other hand, the Company shall first retain the value sufficient to offset the deficits. When the remuneration to employees is assigned in stock or in cash and that to directors in cash, it shall be enforced by the Audit Committee with affirmative votes from at least one-half of the directors and approval by a majority of attending directors that account for two-thirds of all directors during a Board of Director's meeting and be reported during the shareholders' meeting.
- Those entitled to the remuneration to employees assigned by the Company include the employees of a controlled or affiliated company who meet the criteria set by the Board of Directors or its authorized people.
- Article 33 In cases of earnings upon annual general settlement, the Company shall set them aside to pay for taxes and to recover accumulated losses and then set aside 10% to be the legal reserve unless the legal reserve has reached the capital size. Provision or reversal of special reserve may be done if necessary and as required by law. For earnings that remain, if any, the Board of Directors shall prepare the proposal on distribution of the earnings and those yet to be distributed at the start of the term and the distribution will be resolved by the shareholders' meeting.
- The Company shall set aside to special reserve, from prior period's undistributed earnings, an amount equal to net deductions from other equity. If the amount is not sufficient, the Company should further set aside from the current period's net profits plus other items to be included in the current period's undistributed earnings.
- Depending on the Company's long-term financial planning, investment environment, industry competition, capital expenditure budget, funding requirements and protection of shareholders' equity, dividends should be paid at a rate of no less than 20% of the current year's distributable earnings; however, if the distributable earnings are less than 2% of the paid-in capital, the Company may resolve to transfer the entire amount to retained earnings without distribution. For earnings distribution, cash dividends are preferred but it may also be in the form of stock dividends, with no less than 50% of the earnings to be distributed with cash dividends. The aforementioned dividend distribution percentage may be adjusted based on financial, business and operating factors.

Chapter 7 Supplementary Provisions

- Article 34 The organization rules of the Company and procedure guidelines of business operation shall be made by the Board of Directors.
- Article 35 In regard to all matters not provided for in this Articles of Incorporation, the Company Act shall govern.
- Article 36 This Articles of Incorporation was prepared on March 20, 2019. The first amendment was on September 1, 2019. The second amendment was on September 12, 2019. The third amendment was on July 7, 2020. The fourth amendment was on January 29, 2021. The fifth amendment was on May 12, 2021. The sixth amendment was on November 5, 2021. The seventh amendment was on May 24, 2022. The eighth amendment was on May 24, 2023.