



**ARTICLES OF INCORPORATION  
OF  
TEST RITE INTERNATIONAL CO., LTD.**

**CHAPTER 1: GENERAL PROVISIONS**

Article 1: The Company is established according to the Company Law, and has names of: Test Rite International Co., Ltd. (English) 特力股份有限公司 (Chinese)

Article 2: Scope of Business

1. E605010 Computing Equipments Installation Construction
2. E801010 Building Maintenance and Upholstery
3. F101081 Wholesale of Seedling
4. F101100 Wholesale of Flowers
5. F101120 Wholesale of Aquarium Fishes
6. F101130 Wholesale of Vegetable and Fruits
7. F102020 Wholesale of Edible Oil
8. F102030 Wholesale of Tobacco Products and Alcoholic Beverages
9. F102040 Wholesale of Nonalcoholic Beverages
10. F102170 Wholesale of Food and Grocery
11. F103010 Wholesale of Animal Feeds
12. F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products
13. F105050 Wholesale of Furniture, Bedclothes, Kitchen Equipment and Fixtures
14. F106010 Wholesale of Ironware
15. F106020 Wholesale of Articles for Daily Use
16. F106030 Wholesale of Die
17. F106040 Wholesale of Water Utensils and related parts
18. F106050 Wholesale of Pottery, Porcelain and Glassware
19. F107030 Wholesale of Cleaning Preparations
20. F107050 Wholesale of Manure
21. F108040 Wholesale of Cosmetics
22. F109070 Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
23. F110010 Wholesale of Clocks and Watches
24. F110020 Wholesale of Spectacles
25. F111090 Wholesale of Building Materials
26. F113010 Wholesale of Machinery
27. F113020 Wholesale of Household Appliance
28. F113030 Wholesale of Precision Instruments
29. F113050 Wholesale of Computer, Business Machinery and Equipment
30. F113060 Wholesale of Metrological Instruments
31. F113070 Wholesale of Telecom Instruments
32. F113090 Wholesale of Traffic Signal Equipments and Materials
33. F114010 Wholesale of Automobiles
34. F114020 Wholesale of Motorcycles
35. F114030 Wholesale of Motor Vehicle Parts and Supplies
36. F114040 Wholesale of Bicycle Parts and Supplies



37. F115010 Wholesale of Jewelry and Precious Metals
38. F116010 Wholesale of Photographic Equipment
39. F118010 Wholesale of Computer Software
40. F119010 Wholesale of Electronic Materials
41. F199990 Other Wholesale Trade (Soil)
42. F201010 Retail sale of Agricultural Products
43. F201020 Retail sale of Husbandry Products
44. F201061 Wholesale of Seedling
45. F201070 Retail sale of Flowers
46. F201090 Retail Sale of Aquarium Fishes
47. F202010 Retail sale of Animal Feeds
48. F203020 Retail Sale of Tobacco Products and Alcoholic Beverages
49. F204110 Retail sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel,  
Clothing Accessories and Other Textile Products
50. F205040 Retail sale of Furniture, Bedclothes, Kitchen Equipment and Fixtures
51. F206010 Retail Sale of Ironware
52. F206020 Retail Sale of Articles for Daily Use
53. F207030 Retail Sale of Cleansing Preparations
54. F207050 Retail Sale of Manure
55. F208040 Retail Sale of Cosmetics
56. F209060 Retail sale of Stationery Articles, Musical Instruments and Educational  
Entertainment Articles
57. F210010 Retail Sale of Watches and Clocks
58. F210020 Retail Sale of Spectacles
59. F211010 Retail Sale of Building Materials
60. F213010 Retail Sale of Household Appliance
61. F213030 Retail Sale of Computer, Business Machinery and Equipment
62. F213040 Retail Sale of Precision Instruments
63. F213050 Retail Sale of Metrological Instruments
64. F213080 Retail Sale of Other Machinery and Equipment
65. F214010 Retail Sale of Automobiles
66. F214030 Retail Sale of Retail Sale of Motor Vehicle Parts and Supplies
67. F214040 Retail Sale of Bicycles and Parts
68. F215010 Retail Sale of Jewelry and Precious Spectacles Metals
69. F216010 Retail Sale of Photographic Equipment
70. F218010 Retail Sale of Computer Software
71. F299990 Retail Sale of Other Retail Trade Not Elsewhere Classified (Soil)
72. F301020 Supermarkets
73. F399040 Nonstore Retailers
74. F399010 Convenient Stores
75. F401010 International Trade
76. F401071 Export and Import of Seedling
77. F501060 Restaurants
78. G801010 Warehousing and Storage
79. H701020 Development and Sales or Rental of Industrial Plants
80. H701010 Development and Sales or Rental of Residence and Buildings
81. F703090 Real Estate Sale
82. H703100 Real Estate Rental and Leasing
83. I102010 Investment Consultancy



84. I103060 Manages Consultant Business
85. I301010 Software Design Services
86. I301020 Data Processing Services
87. I301030 Digital Information Supply Services
88. I401010 General Advertising Services
89. I501010 Product Designing
90. I503010 Landscape and Interior Designing
91. IZ99990 Other Industry and Commerce Services Not Elsewhere Classified
92. J801030 Athletics and Recreational Sports Stadium
93. JE01010 Rental and Leasing Business
94. ZZ99999 Except the permitted business, the Company may engage in other businesses not prohibited or restricted by laws and regulations
95. A102060 Grain Commerce
96. F108031 Wholesale of Medical Equipments
97. F208031 Retail sale of Medical Equipments
98. C501060 Wooden Container Manufacturing
99. C805990 Other Plastic Products Manufacturing
100. C901010 Pottery and Ceramics Products Manufacturing
101. CA02050 Metal Valves Manufacturing
102. CA02060 Metal Containers Manufacturing
103. CB01010 Machinery and Equipment Manufacturing
104. CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
105. CN01010 Furniture and Fixtures Manufacturing
106. CR01010 Fuel Gas Equipments, Materials and Parts Manufacturing
107. D301010 Water Supply
108. E502010 Fuel Pipe Construction
109. E599010 Pipe Lines Construction
110. E601010 Electric Appliance Construction
111. E601020 Electric Appliance Installation
112. E603130 Gas water heater Appliance Construction
113. E604010 Machinery Installation Construction
114. E801070 Kitchen and Bath Facilities Construction
115. F113990 Wholesale of Other Machinery and Equipment
116. F206040 Retail Sale of Water Containers

Article 2.1. The Company may invest other businesses if necessary, and the aggregate amount of such investments is exempt from the limits set by Article 13 of the Company Law, that is 40% of the amount of its own paid-up capital.

Article 3: The Company has the right to provide a guarantee to any third party.

Article 4: The Company establishes a head office in Taipei City, and may set up branches or offices domestically or abroad by the resolution of the Board of Directors, if necessary.

Article 5: The Company carries out announcements according to the Article 28 of Company Law.

# **TEST RITE**

## **CHAPTER 2 SHARES**

Article 6: The authorized capital of the Company shall be NT\$7,500,000,000, to be divided into 750,000,000 shares of NT\$10 par value, of which, 50,000,000 shares will be reserved for the issue of stock warrants, preferred shares, or corporate bonds with warrant. The Board of Directors is authorized to issue the unissued shares in tranches in view of operating needs of the Company.

Article 6.1. (deleted)

Article 6.2 To transfer shares to employees at less than the average actual repurchase price, the Company must have obtained the resolution of shareholders' meeting.

Article 6.3 If the Company intends to issue employee stock options without being subject to the price restrictions under Article 53 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the applicable rules shall be observed, and the issue may proceed only with the approval of the shareholders meeting.

Article 7: Shares of the Company may be issued in dematerialization and shall be registered with a centralized securities custody enterprise.

Article 8: Company stock affairs regarding transfer, right registration, stock loss, inheritance, gift, address change, stamp loss or change and so on are subject to terms and conditions of "Criteria Governing Handling of Stock Affairs by Public Companies".

Article 9 (deleted)

Article 10: Shareholders Lists shall not be amended within 60 days before shareholder general meetings, within 30 days before shareholder special meeting, or within 5 days before the base days when the Company decides to assign dividends and bonus or other benefits.

Article 11 (deleted)

## **CHAPTER 3 SHAREHOLDER'S MEETING**

Article 12: There are two types of shareholders' meetings:

1. Shareholders' general meetings shall be convened at least once a year, within 6 months after the end of preceding fiscal year.
2. Shareholders' special meeting shall be convened by law if necessary.

Article 13: A shareholders' meeting convened by the Board of Directors is presided over in accordance with Article 208.3 of Company LAW; a shareholders' meeting convened by others than the Board of Directors shall be presided over by the convener or either one of more than two conveners under agreement.

Article 14: When the Company plans to convene a shareholders' general meeting,



then all shareholders shall be notified 30 days prior to the meeting. The notification of a shareholders' special meeting shall be done 15 days prior to the meeting. The notification shall include the date, location, and the matters to be resolved at the meeting.

Article 15: Unless otherwise provided for in this Act, a shareholder shall have one voting power in respect of each share in his/her/its possession.

Article 16: Shareholders' meeting matters such as attendance, registration, and so on are subject to "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies", Company Law, and relevant laws.

Article 17: (deleted)

Article 18: A resolution of a shareholders' meeting shall be adopted under the condition that more than one-half of the issued-shares shareholders attend the meeting, and more than one-half of attendees agree the resolution, or otherwise specified in Company Law and relevant laws.

When the number of shareholders present does not constitute the quorum prescribed in the preceding article, but those present represent one-third or more of the total number of issued shares, a tentative resolution may be passed by more than half of those present. A notice of such tentative resolution shall be given to each of the shareholders, and reconvene a Shareholders' meeting within one month, and the resolution shall be adopted under the condition that more than one-third of issued-share holders present in the meeting and more than half of attendees agree.

#### **CHAPTER 4 DIRECTORS AND THE AUDIT COMMITTEE**

Article 19: The board of directors of the Company consists of seven directors, at least three of whom, and not less than one fifth of the total number of seats, are independent directors. The directors are elected by the shareholders meeting with qualification that is defined as "capable person" by the Company Law. The directors shall serve a 3-year term, and may be re-elected to further terms.

Candidates for the election of directors and supervisors are chosen by nomination and the shareholders' meeting votes on the list of candidates. The professional qualifications, shareholding, restrictions of second jobs, determination of dependence, nomination and assignment, and other related rules to follow for independent directors shall comply with the rules of the securities authority.

The Company may purchase liability insurance for its directors to cover the liabilities to be borne by the directors while performing their duties



during their term of office.

The total number and percentage of registered shares held by the Company's board of directors shall be governed by the rules of the competent authority.

Article 20: The directors organize the Board of Directors, and its authority and obligation are:

1. draft rules and articles of any kind.
2. decide business policies.
3. inspect final budgets.
4. appoint and dismiss important employees.
5. draw-up surplus allotment.
6. draft and review important properties and real estates purchases.
7. draw-up investments to other businesses and review.
8. execute other resolutions by law and of shareholders meetings.

Article 21: The Board of Directors is organized by directors. A chairman is elected in the board with more than two-thirds directors present and agreement with more than half of attendees and may also elect in the same manner a vice chairman of the board. The chairman externally represents the Company. In case the chairman is on leave or absent or can not exercise his power and authority for any cause, a designation shall be appointed in accordance with the Article 208 of Company Law.

Article 22: A board of directors shall meet at least quarterly. In the case of emergency or upon the requisition of a majority of the Directors, the meeting of the Board of Directors may be called by the Chairman at any time. The reasons for calling a board of directors meeting shall be notified to each director before the deadline stipulated by the competent authority in charge of securities affairs. In emergency circumstances, however, a meeting may be called on shorter notice. The notice may be effected by means of personal delivery, registered mail, electronic mail or facsimile. Unless otherwise provided for in the Company Law, the meeting of Board of Directors shall be called and chaired by the chairperson of the board. In the event that the Chairman is on leave or otherwise unable to perform his/her duties, the delegation of his/her office shall be made in accordance with Article 208 of the Company Act. A Director may appoint another Director as his/her proxy to attend and vote on his/her behalf in accordance with the scope of proxy at the meeting; however, no Director may act as proxy for more than one Director.

Article 23: A resolution of the Board of Directors shall be adopted with attendance of more than half of the directors and agreement of more than half of



attendees.

Article 24: The Company shall organize an audit committee consisting of all independent directors. It shall not be fewer than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise.

The audit committee, the provisions regarding supervisors in the Company Act, the Securities and Exchange Act and other laws and regulations shall apply mutatis mutandis to the audit committee.

The exercise of powers by the audit committee, and other relevant matters, shall be handled in accordance with relevant requirements of laws or the Articles of incorporation.

Article 25: The Board of Directors may set up various kinds of functional committees in accordance with relevant laws or management requirements.

Article 26: The directors shall be compensated for their duty as directors disregard the result of operations of the Company. The board of directors shall be authorized to determine the said compensation based on their participation, contribution and industry market level.

## **CHAPTER 5           MANAGER AND EMPLOYEES**

Article 27: The Company may follow the resolution of the board of directors to appoint one strategy and new business development chief executive officer, one corporate governance and risk chief executive officer, and one general manager, who will follow the resolutions of the board of directors and the commands of the chairman to oversee the Company's operations, and may be supported by several vice presidents.

Article 28: Appointment and discharge and the remuneration of chief executive officers and general manager shall be decided in accordance with Company Act of Article 29.

## **CHAPTER 6       FINAL ACCOUNTING AND SURPLUS EARNINGS DISTRIBUTION**

Article 29: The fiscal year of the Company is from January 1st to December 31st.

Article 30: After the close of each fiscal year, the following reports shall be prepared by the Board of Directors, and submitted to the regular shareholders' meeting for acceptance:

1. Business Report
2. Financial Statement
3. Proposal Concerning Appropriation of Earnings or Covering of Losses

Article 31: If the Company has any profit upon closing of accounts, the Company shall first settle outstanding taxes and offset accumulated losses of the



preceding years, and then set aside 10% of such profits as a legal surplus. However, when the legal surplus amounts to the authorized capital, this shall not apply. An additional sum of the special surplus may be retained in accordance with relevant rules and regulations or business requirements. The remaining surplus, if any, shall be allocated as shareholder bonus to be distributed, along with unallocated earnings of previous years, pursuant to the decision by the board meeting. At least 10% shall be set aside, and an earnings distribution plan shall be provided to be resolved by the shareholders' meeting for distribution.

The company may authorize the distributable dividends, statutory surplus reserve, and capital surplus may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting

The industry in which the Company is engaged contains a large number of variables and uncertainties. As the life cycle of the Company's development enters the stable and mature phase and taking into account the Company's diversification, future operating plans, capital requirements, and long-term financial planning, as well as in consideration of shareholders' interests, our dividend policy will adopt the soundness and balance of dividend distribution. Shareholder dividends to be distributed should not be less than 50% of the earnings available for distribution and may be distributed in cash and/or shares. Cash dividends must not be less than 10% of the total shareholder dividends. However, cash dividends under NT\$0.10 per share will not be distributed as cash dividends, and may instead be distributed entirely as share dividends.

Article 31.1. The Company shall distribute no less than 1 % of the current year's profit if any as remuneration for employees and the Board could decide to distribute in stocks or cash.

The Board could also decide no more than 2 % of the abovementioned profit as remuneration for Directors and Supervisors. The distribution of remuneration for employees and Directors and Supervisors should be reported during Shareholders' Meeting.

However, when there's accumulated losses, the Company shall reserve certain amount to compensate the accumulated losses and then distribute the profits to employees and Directors based on the abovementioned percentage.

Qualification requirements of employees are including the employees of





parents or subsidiaries of the company meeting certain specific requirements, entitled to receive treasury stock, employee stock warrants, employee stock subscription, restricted stock, and employee compensation for employees, and the specific conditions are determined by the board of directors.

Article 32: The Board of Directors shall be entitled to transportation allowance based on industry market level disregarding the result of operations of the Company.

## **CHAPTER 7 SUPPLEMENTARY PROVISIONS**

Article 33: The Association Rules and Enforcement Rules of the Company are established elsewhere by the Board of Directors. The unmentioned matters are subject to Company Law and relevant ordinance provisions.

Article 34: The Articles of Association were established on July 24 in 1978.

The first amendment was on June 10 in 1980.

The second amendment was on December 16, 1981.

The third amendment was on March 24, 1983.

The fourth amendment was on July 12, 1983.

The fifth amendment was on September 5, 1983.

The sixth amendment was on November 10, 1984.

The seventh amendment was on February 28, 1987.

The eighth amendment was on June 25, 1987.

The ninth amendment was on November 19, 1989.

The tenth amendment was on January 3, 1990.

The eleventh amendment was on February 5, 1990.

The twelfth amendment was on April 12, 1990

The thirteenth amendment was on May 11, 1991.

The fourteenth amendment was on May 9, 1992.

The fifteenth amendment was on September 16, 1992.

The sixteenth amendment was on May 10, 1993.

The seventeenth amendment was on August 23, 1993.

The eighteenth amendment was May 2, 1994.

The nineteenth amendment was May 8, 1995.

The twentieth amendment was on May 14, 1997.

The twenty-first amendment was on May 11, 1998.

The twenty-second amendment was on May 11, 1999.

The twenty-third amendment was on June 13, 2000.

The twenty-fourth amendment was on May 22, 2001.

The twenty-fifth amendment was on May 24, 2002.

The twenty-sixth amendment was on May 24, 2002.



The twenty-seventh amendment was on June 20, 2003.  
The twenty-eighth amendment was on June 11, 2004.  
The twenty-ninth amendment was on June 14, 2005.  
The thirtieth amendment was on June 9, 2006.  
The thirty-first amendment was on June 9, 2006.  
The thirty-second amendment was on November 2, 2007.  
The thirty-third amendment was on June 13, 2008.  
The thirty-fourth amendment was made on June 16, 2009.  
The thirty-fifth amendment was adopted on June 15, 2010.  
The thirty-sixth amendment was adopted on June 17, 2011.  
The thirty-seventh amendment was adopted on June 18, 2012.  
The thirty-eighth amendment was adopted on June 17, 2013.  
The thirty-ninth amendment was adopted on June 11, 2014.  
The fortieth amendment was adopted on June 15, 2015.  
The forty-first amendment was adopted on June 23, 2016.  
The forty-second amendment was adopted on June 19, 2018.  
The forty-three amendment was adopted on June 20, 2019.

Test Rite International Co., Ltd.

Chairwoman: LEE, LI-CHIL (JUDY LEE)