

**Systemx Corporation**  
**Articles of Incorporation**

Chapter I General Provisions

Article 1: The Company is constituted in accordance with the Company Act, and shall be known as Systemx Corporation.

Article 2: The Company shall engage in the following businesses:

1. F113050 Wholesale of Computing and Business Machinery Equipment
2. F118010 Wholesale of Computer Software
3. F113070 Wholesale of Telecom Instruments
4. F113020 Wholesale of Household Appliance
5. F113110 Wholesale of Batteries
6. F119010 Wholesale of Electronic Materials
7. E605010 Computing Equipments Installation Construction
8. JA02010 Electric Appliance and Audiovisual Electric Products Repair Shops
9. J399010 Software Publication
10. IG02010 Research Development Service
11. I599990 Other Designing
12. JZ99050 Agency Services
13. F113030 Wholesale of Precision Instruments
14. E603050 Cybernation Equipments Construction
15. F401010 International Trade
16. I301010 Software Design Services
17. I301020 Data Processing Services
18. I301030 Digital Information Supply Services
19. F213030 Retail sale of Computing and Business Machinery Equipment
20. F218010 Retail Sale of Computer Software
21. F209060 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
22. E701010 Telecommunications Engineering
23. F213060 Retail Sale of Telecom Instruments
24. F399040 Retail Business Without Shop
25. F601010 Intellectual Property
26. IE01010 Telecommunications Number Agencies
27. I103060 Management Consulting Services
28. JE01010 Rental and Leasing Business
29. I401010 General Advertising Services
30. IZ99990 Other Industry and Commerce Services
31. J304010 Book Publishers
32. F401021 Restrained Telecom Radio Frequency Equipments and Materials

### Import

- 33. J303010 Magazine and Periodical Publication
- 34. J305010 Audio Tape and Record Publishers
- 35. J201031 Technique and Performing Arts Training
- 36. I501010 Product Designing
- 37. I199990 Other Consultancy
- 38. CC01100 Restrained Telecom Radio Frequency Equipments and Materials

### Manufacturing

- 39. F108031 Wholesale of Drugs, Medical Goods
- 40. F208031 Retail Sale of Medical Apparatus
- 41. CC01110 Computers and Computing Peripheral Equipments Manufacturing
- 42. CC01120 Data Storage Media Manufacturing and Duplicating
- 43. CC01060 Wired Communication Equipment and Apparatus Manufacturing
- 44. CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
- 45. CC01080 Electronic Parts and Components Manufacturing
- 46. CB01010 Machinery and Equipment Manufacturing
- 47. C701010 Printing
- 48. C703010 Printings Bindery and Processing
- 49. F113010 Wholesale of Machinery
- 50. IZ13010 Internet Identify Services
- 51. EZ05010 Apparatus Installation Construction
- 52. E701030 Controlled Telecommunications Radio-Frequency Devices

### Installation Engineering

- 53. E601010 Electric Appliance Construction
- 54. F102170 Wholesale of Food and Grocery
- 55. F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel,  
Clothing Accessories and Other Textile Products
- 56. F105050 Wholesale of Furniture, Bedclothes Kitchen Equipment and  
Fixtures
- 57. F109070 Wholesale of Stationery Articles, Musical Instruments and  
Educational Entertainment Articles
- 58. F203010 Retail sale of Food and Grocery
- 59. F204110 Retail sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel,  
Clothing Accessories and Other Textile Products
- 60. F205040 Retail sale of Furniture, Bedclothes, Kitchen Equipment and  
Fixtures
- 61. F208050 Retail Sale of the Second Type Patent Medicine
- 62. F102020 Wholesale of Edible Oil
- 63. F102040 Wholesale of Nonalcoholic Beverages
- 64. F102050 Wholesale of Tea

65. F102180 Wholesale of Ethanol
66. F103010 Wholesale of Animal Feeds
67. F106010 Wholesale of Ironware
68. F106020 Wholesale of Articles for Daily Use
69. F107030 Wholesale of Cleaning Preparations
70. F107070 Wholesale of Animal Medicines
71. F108040 Wholesale of Cosmetics
72. F110010 Wholesale of Clocks and Watches
73. F110020 Wholesale of Spectacles
74. F114030 Wholesale of Motor Vehicle Parts and Supplies
75. F116010 Wholesale of Photographic Equipment
76. F117010 Wholesale of Fire Fighting Equipment
77. F203030 Retail Sale of Ethanol
78. F206010 Retail Sale of Ironware
79. F206020 Retail Sale of Articles for Daily Use
80. F206050 Retail of pet food and appliances
81. F207030 Retail Sale of Cleaning Preparations
82. F207070 Retail Sale of Animal Medicine
83. F208040 Retail Sale of Cosmetics
84. F210010 Retail Sale of Watches and Clocks
85. F210020 Retail Sale of Spectacles
86. F213010 Retail Sale of Household Appliance
87. F213110 Retail Sale of Batteries
88. F216010 Retail Sale of Photographic Equipment
89. F219010 Retail Sale of Electronic Materials
90. F301010 Department Stores
91. I301040 The third party payment
92. IZ04010 Translation
93. IZ09010 Management System Certification
94. IZ12010 Manpower Dispatched
95. J202010 Industry Innovation and Incubation Services
96. J399990 Other Publishing
97. ZZ99999 All business items that are not prohibited or restricted by law,  
except those that are subject to special approval.

Article 2-1: The Company may provide external guarantees.

Article 2-2: The Company's total external investment may exceed forty percent (40%) of its paid-in capital.

Article 3: The Company's head office is established in Taipei City. Where necessary the Company may establish branch companies domestically or overseas subject to the resolution by its Board of Directors and the approval of the competent

authority.

## Chapter II Shares

Article 4: The total capital of the Company shall be in the amount of NT\$4 billion divided into 400 million shares to be raised in multiple issues at NT\$10 per share.

An additional NT\$200 million shall be reserved from the total capital as specified in Paragraph 1 for the issuance of employee stock options issuable in 20 million shares at NT\$10 per share over multiple installments in accordance with the Board of Directors resolution.

Before issuing any employee stock options at a strike price lower than the closing price of the Company's stocks on the date of issuance, the Company shall first obtain the agreement of at least two-thirds of the voting rights present at the shareholders' meeting attended by shareholders representing a majority of total issued shares, and may issue the stock options in installments within a year of the date of resolution in the shareholders' meeting. Other conditions or restrictions on employee stock options issued in accordance with the provisions described above shall be processed in accordance with related laws and regulations.

Before transferring shares to employees at a price lower than the average of the actual repurchase price, the Company shall first obtain the agreement of at least two-thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing a majority of total issued shares.

The qualification requirements of the Company's issuance of restricted stock for employees may include employees of parents or subsidiaries companies meeting certain specific requirements.

Article 5: Stocks of the Company shall be with serial numbers, be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance thereof. Stocks issued by the Company are not required to be printed. The Company, however, shall contact the centralized securities depository enterprise institution for registration or depository of the share certificates for the stocks or shares issued in accordance with this Paragraph.

Article 6: The Company shall administer all the stock-related operations in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" promulgated by the competent authority. The competent authority may request consolidated issuance of securities with large nominal value.

## Chapter III Shareholders' Meeting

Article 7: Registration for the transfer of shares shall be suspended for 60 days before a general shareholders' meeting, for 30 days before an extraordinary shareholders'

meeting, and for 5 days before the baseline date for distributing dividends, bonus or other benefits. The above periods shall be calculated from the date of the meeting or the baseline date.

Article 8: The Company holds general and provisional shareholders' meetings. A general meeting is convened once a year within six months after the end of a fiscal year. Extraordinary meetings are convened when necessary in accordance with the law. The shareholders' meeting shall be held in accordance with the Company's "Rules and Procedures for Shareholders' Meetings."

When the Company holds a shareholders' meeting, the meeting may be held by means of visual communication network, or other methods promulgated by the central competent authority.

Article 9: All shareholders shall be informed of the meeting and agenda 30 days before a general meeting or 15 days before an extraordinary meeting is convened.

Article 10: A shareholder, if unable to attend the shareholders' meeting, may appoint a proxy to attend on the shareholder's behalf by executing a power of attorney and stating therein the scope of power authorized to the proxy. The authorization shall be processed in accordance with Article 177 of the Company Act.

Article 11: A shareholders' meeting convened by the Board of Directors shall be chaired by the Chairman. If the Chairman is on leave or unable to exercise powers, the acting chair shall be selected in accordance with Article 208, Paragraph 3 of the Company Act. If a shareholders' meeting is convened by an individual with the right to convene a meeting but who is not a member of the Board of Directors, the said individual shall chair the meeting. If two or more individuals have the right to convene the meeting, one shall be elected from those eligible to chair the meeting.

Article 12: Unless otherwise regulated by the Company Act, a shareholders' meeting resolution shall be passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

Article 12-1: A proposal to cancel the public issuance of the Company's shares shall be filed for a resolution in the shareholders' meeting.

Article 13: Each shareholder of the Company shall be entitled to one vote for each share. No voting power shall be granted, however, to Company shares prescribed in Article 179 of the Company Act.

Article 14: Shareholders' meeting resolutions shall be compiled into minutes with details including the date and place of the meeting, the name of Chairman, method of resolution, and a summary of the essential points of meeting proceedings and results. The minutes shall be signed or sealed by the Chair. The minutes described in the previous paragraph shall be retained by the Company along with

the attendance cards and power of attorney letters for proxies of shareholders in attendance. The minutes shall be distributed to each shareholder within 20 days of the meeting. The minutes may be distributed in announcements.

#### Chapter IV Directors

Article 15: The Company shall appoint nine to thirteen Directors who shall be elected from among the shareholders with capacity at the shareholders' meeting in accordance with the provisions stipulated in Articles 198 and 227 of the Company Act to serve terms of three years each; directors may serve consecutive terms. The election of Directors is held by nomination in accordance with Article 192-1 of the Company Act, and the shareholders shall vote on the list of candidates. Unless otherwise approved by the competent authority, the following relations may not exist among more than half of the directors of the Company.

I. A spousal relationship.

II. Familial relationship within the second degree of kinship.

Article 15-1: The Company shall appoint at least three Independent Directors among the Directors of the Board in accordance with Article 14-2 of the Securities and Exchange Act and in compliance with Article 183 of the Securities and Exchange Act. The selection of Independent Directors shall be conducted in accordance with the candidate nomination system prescribed in Article 192-1 of the Company Act.

The Company shall assemble an Audit Committee in accordance with Article 14-4 and Article 183 of the Securities and Exchange Act. The Committee shall be solely composed of Independent Directors.

Article 16: The Directors shall form a Board of Directors, under which functional committees with various duties and purposes may be established. The Chairman of the Board shall be elected from among those present by a majority vote at a Board meeting with more than two-thirds of the directors present. A Vice Chairman may be elected to assist the Chairman. The Chairman is the Chair of the Board of Directors and represents the Company in conducting all affairs. If the Chairman is on leave or unable to exercise his/her duties for whatever reason, a proxy shall be selected in accordance with Article 208, Paragraph 3 of the Company Act.

Article 17: A Board meeting may be convened through written, email or facsimile notification that states the reason for the meeting to each Director and Supervisor at least seven days before the meeting date. A meeting of the Board of Directors may be convened at any time in the event of an emergency. Directors who participate in meetings via video conferencing shall be deemed to have personally attended the meeting. The Board of Directors meeting shall be held in accordance with the Company's "Rules and Procedures for Board of Directors Meetings." If a Director

is unable to attend a Board meeting, he/she may appoint a proxy to attend the meeting by completing the Company's proxy form and specifying the scope of delegation. Any proxy prescribed in the preceding paragraph, however, shall only represent one Director in the meeting.

Article 18: Unless otherwise provided for under the Company Act, resolutions of the Board of Directors shall be approved by majority vote at a meeting attended by a majority of the Directors.

Article 19: Remuneration for the Chairman and Directors shall be determined by their level of participation in the Company's operations and the value of their contribution as well as their personal performance and the Company's long-term operating performance while taking into account the Company's operating risks and the industry's prevailing rates in the domestic and international markets.

The Board of Directors is authorized to determine the remuneration. The Company may purchase liability insurance for Directors.

#### Chapter V Managers

Article 20: The Company may appoint a Chief Executive Officer following a resolution in the Board of Directors meeting to oversee the business operations and strategies of the Company and its subsidiaries. The Company shall also appoint a President whose appointment, dismissal, and remuneration shall be governed by Article 29 of the Company Act.

#### Chapter VI Accounting

Article 21: The Company's fiscal year begins on January 1 and ends on December 31 of every year. The fiscal year shall end on the last day of the Gregorian calendar and the Board shall prepare the following documents and submit them to the Audit Committee for review before ratification in the General Shareholders' Meeting.

(I) Business report.

(II) Financial Statements.

(III) Distribution of earnings or loss offsetting proposals.

Article 22: In response to the overall economy and the characteristics of industry growth and in compliance with the Company's long-term financial plans for sustainable operations and stable development, the Company adopts a residual dividend policy. The policy mainly assesses the annual funding requirements based on the Company's future capital budget plans and retains required funding from earnings before distributing remaining earnings as dividend. The distribution procedures are as follows:

(I) The optimal capital budget is determined.

(II) The amount of capital required to satisfy the capital budget in paragraph (I) is determined.

(III) The amount of funding required for financing to be supported by the retained earnings (the remaining can be supported through cash capital increase or corporate bonds etc.) is determined.

(IV) An appropriate amount of the remaining earnings shall be retained in accordance with operational requirements before distributing dividends to shareholders.

The Company distributes dividends through cash or stocks and cash dividends are prioritized. If dividends are distributed in stocks, the stock dividends shall not exceed 50% of the total dividends issued in the current year. The distribution of dividends may be dependent on the Company's current and future investment environment, funding requirements, domestic and foreign competition, and capital budgets while taking into consideration shareholder interests, balanced dividends, and the Company's long-term financial plans. Where a plan to distribute stock dividends is in place, the Board of Directors shall formulate relevant proposals in accordance with the law and report to the shareholders' meeting for discussion and resolution.

For the distribution of the preceding surplus, if the distribution is in cash, the Board of Directors shall be authorized to resolve the proposal by at least half of the directors, provided the number of directors present shall be at least two-thirds of the entire Board of Directors, and report to the shareholders' meeting of the distribution.

The company may distribute all or part of the reserve in accordance with laws or the regulations of the competent authority. If it is distributed in cash, it authorizes the board of directors to make resolutions in accordance with Article 241 of the Company Act and report to the shareholders' meeting.

Article 23: In the event the Company makes a profit during the fiscal year it shall set aside no less than 0.1% of the profits for employee remuneration. The remuneration for Directors shall be no higher than 2%. However, priority shall be given to reservation of funds for compensation of cumulative losses, if any.

The preceding employee remuneration may be paid in cash or shares, and shall be payable to employees of subsidiary companies who meet the requirements stipulated by the Board of Directors. Remuneration of directors as specified above may be distributed in cash only.

The procedures in the two preceding paragraphs shall be approved by the Board of Directors and reported to the shareholders' meeting.

Article 23-1: Any net income after taxes at final accounting of the current period shall be used to compensate cumulative losses while 10% of net income after taxes shall be allocated as statutory reserve according to the law, except when the cumulative statutory reserve has reached the Company's paid-in capital. The



balance shall then be allocated or reversed as special reserve in accordance with regulatory requirements, it shall be handled in accordance with relevant regulations.

#### Chapter VII Supplementary Provisions

Article 24: Matters not addressed in these Articles shall be governed by the Company Act and other relevant laws and regulations.

Article 25: The Articles of Incorporation were established on Dec. 26, 1996.

The 1st Amendment was approved by the shareholders' meeting on June 23, 1998, the 2nd Amendment on May 6, 1999, the 3rd Amendment on April 18, 2000, the 4th Amendment on April 12, 2001, the 5th Amendment on October 2, 2001, the 6th Amendment on March 28, 2002, the 7th Amendment on April 22, 2003, the 8th Amendment on April 14, 2004, the 9th Amendment on June 24, 2004, the 10th Amendment on May 18, 2005, the 11th Amendment on June 15, 2006, the 12th Amendment on June 13, 2007, the 13th Amendment on June 13, 2008, the 14th Amendment on June 18, 2010, the 15th Amendment on June 24, 2011, the 16th Amendment on June 15, 2012, the 17th Amendment on June 17, 2015, the 18th Amendment on June 17, 2016, the 19th Amendment on June 13, 2019, the 20th Amendment on June 18, 2020, the 21st Amendment on May 27, 2021 and the 22th Amendment on May 26, 2022.

The Articles of Incorporation were implemented after approval in accordance with laws and regulations.