

Kwong Fong Industries Corporation

Articles of Incorporation

One. General Provisions

- Article 1 The Company is a company limited by shares duly incorporated under the Company Act, and shall have the name “廣豐實業股份有限公司” in the Chinese Language and “Kwong Fong Industries Corporation” in the English language.
- Article 2 The Company mainly engages in the following industries:
- I. F399990 Retail sale of Other Integrated
 - II. F401010 International Trade
 - III. H701010 Housing and Building Development and Rental
 - IV. H701040 Specific Area Development
 - V. H701050 Investment, Development, and Construction in Public Construction
 - VI. J901011 Tourist Hotel
 - VII. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The head office of the Company is located in Taipei City. If necessary, branch offices, branch plants, and branch operations may be established at home and/or abroad by the resolution of the Board of Directors.
- Article 4 The Company's total reinvestment amount is not subject to the restrictions stipulated in Article 13 of the Company Act. The Company may make endorsements or guarantees for others if the business requires so.
- Article 5 The means by which the Company makes announcements shall be in accordance with related laws and regulations.

Two. Shares

- Article 6 The Company has an authorized capital of six billion New Taiwan dollars, divided into six hundred million shares. Each share has a face value of ten New Taiwan dollars. The Board of Directors is authorized to issue such shares in installments according to law.
- Article 7 All of the Company's shares shall be registered ones, and shall bear a serial number and the signature or seal of the director representing the Company, and may be issued after being duly certified.
Registered share certificates issued by the Company are not required to be

printed. The Company, however, should contact the securities depository and custodian institution for registration of the share certificates.

Article 8 The transfer, ownership transfer, inheritance, bestowal, creation of pledge, loss, and destruction of the Company's shares or other share-related affairs shall be carried out in accordance with the Company Act and relevant laws and regulations. Taiwan Depository & Clearing Corporation may request that share certificates be consolidated and exchanged for larger denomination security certificates.

Three. Shareholders' meeting

Article 9 Shareholders' meetings of the Company are of two types, namely, annual general meetings and special meetings, which shall be convened by law. At the Company's shareholders' meeting, shareholders may exercise their voting rights by correspondence or electronic means.

Article 10 A shareholder shall be entitled to one vote for each share held, except when the shares are deemed non-voting shares under the Company Act or other laws and regulations.

Article 11 Except otherwise provided by the Company Act, the Shareholders' Meeting shall be chaired by the Chairperson, or by an acting chair when the Chairperson cannot perform such duties for any reason, in which case matters shall be conducted in accordance with the Company Act.

Four. Directors

Article 12 The Company shall have five to nine directors whose term of office shall be three years. They shall be elected via the candidate nomination system by the Shareholders' Meeting from among those with disposing capacity and may be eligible for re-election. The Company may purchase liability insurance policies that cover the liabilities that might be incurred by directors performing their duties during their term of service.

At least half of all directors of the Company may not have the following relationship with one another:

I. Spouse.

II. Relative within the second degree of kinship.

Of the said number of directors, at least three shall be independent directors, who shall constitute at least one-fifth of all directors. Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other

matters for compliance with respect to independent directors shall be prescribed by the competent authority.

Directors shall assemble the Board of Directors, which shall carry out all the Company's business in accordance with laws and regulations, the Company's Articles of Incorporation, and resolutions of the Shareholders' Meeting. They shall elect from among themselves a Chairperson in accordance with Article 208 of the Company Act who represents the Company; they shall also elect a vice chairperson. If the Chairperson is unable to perform his/her duties for any reason, the Vice Chairperson shall act as an acting chairperson; if the Vice Chairperson is unable to perform his/her duties, the directors shall elect an acting chairperson from among themselves.

The Company has set up the "Audit Committee" in accordance with Article 14-4 of the Securities and Exchange Act. Matters relating to the number, office terms, duties, and rules of meeting proceedings with respect to the Audit Committee shall be specified in the Audit Committee Charter, which is formulated by the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies.

The Board may establish relevant functional committees when deemed necessary.

- Article 13 The Company may pay directors the transportation fee on a monthly basis, regardless of being in profit or loss; such amount shall be determined by the Board of Directors. The Board of Directors is authorized to determine the remuneration for the Chairperson and directors based on the extent of their participation in, and contribution to, the Company's operations, and by referencing the industry standards among peers.
- Article 14 The total number of registered shares held by all directors of the Company shall be in accordance with the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" promulgated by the Financial Supervisory Commission.
- Article 15 The Board of Directors meeting shall be convened by the Chairperson of the Board. The reasons for convening the meeting shall be notified to each director at least seven days in advance. In emergency events, however, a meeting may be convened at any time.
- A director may designate another director as a proxy to attend a Board of Directors meeting on his/her behalf; however, such a proxy may represent only one director at the maximum.
- The notice of the convening of board meeting can be made in writing, e-mail or fax.

Five. Manager

Article 16 The Company shall have one president and several managers; the appointment, dismissal, and remuneration thereof shall be in accordance with the Company Act. Managers shall be empowered to manage the operation of the company and to sign relevant business documents for the company, subject to the scope of his/her duties assigned separately by the Board of Directors.

Six. Accounting

Article 17 The Company's Board of Directors shall compile the following documents at the end of a fiscal year and submit them to the annual general meeting for ratification.

(I) Business Report; (II) Financial Statements; (III) proposal to distribute earnings or compensate for prior losses.

Article 18 If the Company has profits in a given year, it shall allocate 0.1%–2% of such profits as employee remuneration and no greater than 1% as director remuneration (except for that for independent directors). However, if the Company has an accumulated loss, an amount equal to such loss shares be reserved in the first place. Those entitled to employee remuneration in the form of stocks or cash may include employees of a controlled or affiliated company who meet certain criteria.

Article 19 If the Company has earnings in the final account statements, such earnings shall be used to pay tax and compensate for accumulated losses in the first place; of the retained earnings, 10% shall be set aside as legal reserves in the second place, a portion may be provided as special reserves or retained earnings if necessary, and then the rest amount may be used to distribute shareholder dividends. The distribution content must be passed by the Shareholders' Meeting.

The Company's dividend policy depends on the profitability of the current year, and on the principle of dividend stability. The Board of Directors proposes a profit distribution plan in the principle that the distribution amount shall not be less than 30% of the current year's after-tax profit. However, if the distributable earnings are less than the current year's after-tax profit, the distributable earnings shall serve as the basis for calculation. Among the distributed dividends, cash dividends shall not be less than 10%.

Seven. Supplementary Provisions

Article 20 Matters not provided in this Articles of Incorporation shall be conducted by the

Company Act.

Article 21 This Articles of Incorporation was established on June 11, 1968; amended on October 16, 1969 for the first time; August 2, 1972 for the 2nd time; December 25, 1972 for the 3rd time; May 19, 1974 for the 4th time; January 30, 1975 for the 5th time; June 11, 1975 for the 6th time; October 1, 1975 for the 7th time; February 11, 1976 for the 8th time; May 12, 1977 for the 9th time; April 12, 1978 for the 10th time; August 22, 1978 for the 11th time; April 22, 1979 for the 12th time; August 27, 1979 for the 13th time; April 22, 1980 for the 14th time; June 12, 1981 for the 15th time; May 26, 1982 for the 16th time; June 29, 1983 for the 17th time; June 14, 1984 for the 18th time; June 28, 1985 for the 19th time; June 19, 1986 for the 20th time; June 30, 1987 for the 21st time; April 25, 1988 for the 22nd time; May 8, 1989 for the 23rd time; June 5, 1990 for the 24th time; April 18, 1991 for the 25th time; June 30, 1994 for the 26th time; June 16, 1994 for the 27th time; May 10, 1995 for the 28th time; April 26, 1997 for the 29th time; May 19, 1998 for the 30th time; June 27, 2000 for the 31st time; June 27, 2002 for the 32nd time; June 27, 2003 for the 33rd time; June 28, 2005 for the 34th time; June 23, 2006 for the 35th time; June 29, 2010 for the 36th time; June 24, 2014 for the 37th time; June 30, 2015 for the 38th time; June 30, 2016 for the 39th time; June 28th, 2017 for the 40th time; June 29th, 2018 for the 41st time; June 26th, 2019 for the 42nd time; and July 1, 2021 for the 43rd time, and May 30, 2024 for the 44th time.