Wah Lee Industrial Corp.

Articles of Incorporation

Chapter I. General Principles

Article 1: The name of the organization established by the Company in accordance with the Company Act is 華立企業股份有限公司..

The official English name is WAH LEE INDUSTRIAL CORP.

Article 2: The business operations of the Company are as follows:

1. F401010 International Trade.
2. F119010 Wholesale of Electronic Materials.
3. F113110 Wholesale of Batteries.
4. F113070 Wholesale of Telecommunication Equipment.
5. F213010 Retail Sale of Electrical Appliances.
6. F108031 Wholesale of Medical Devices.
7. F107170 Wholesale of Industrial Catalyst.
8. F113100 Wholesale of Pollution Controlling Equipment.
9. F120010 Wholesale of Refractory Materials.
10. F107990 Wholesale of Other Chemical Products.
11. F113030 Wholesale of Precision Instruments.
12. F103010 Wholesale of Animal Feeds.
13. F202010 Retail Sale of Animal Feeds.
14. D101060 Self-usage power generation equipment utilizing renewable energy industry.
15. E601010 Retail Sale of Electrical Appliances.
16. IG03010 Energy Technical Services.
17. I301010 Information Software Services.
18. I301020 Data Processing Services.
19. J101040 Waste Treatment.
20. J101060 Wastewater (Polluted Water) Treatment Industry.
21. J101080 Resource Recycling.
22. F106040 Wholesale of Water appliance materials.
23. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures.
24. F106050 Wholesale of Ceramic and Glassware.
25. F107200 Wholesale of Chemical Materials.

26, G801010 Warehousing.

27. H703100 Real Estate Leasing.

28. IZ06010 Tallying and Packing.
29. ZZ99999 All 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 Kaohsiung City and may establish branches both domestically and internationally as necessary, contingent upon a resolution by the Board of Directors.

Article 4: The Company's announcement procedures are carried out in compliance with the relevant provisions of the Company Act.

Chapter II. Shareholding

Article 5: The total capital of the Company is set at NT$5 billion, divided into 500 million shares, each with a par value of NT$10. The unissued shares are authorized to be issued in installments by the Board of Directors, with some shares allowed to be issued as preferred shares.

Within the aforementioned total capital, NT$100 million is reserved for the issuance of stock warrants, corporate bonds with warrants, or preferred shares with warrants, amounting to a total of 10 million shares at NT$10 per share. These may be issued in installments as resolved by the Board of Directors.

Article 5-1: The rights, obligations, and other key issuance terms of the Company's preferred shares are as follows:

1. The dividend for preferred shares shall be capped at an annual rate of 8%, calculated based on the issue price per share. Dividends shall be distributed in cash once a year and paid on a record date determined by the Board of Directors, after the annual shareholders' meeting has approved the financial statements and the earnings distribution proposal for the preceding year. The distribution of dividends for the issuance year and the redemption year shall be calculated based on the actual number of days from the issuance date in the respective year. The issuance date is defined as the capital increase record date for the issuance of these preferred shares.
2. The Company retains discretionary authority over the distribution of dividends for preferred shares and may resolve at the shareholders' meeting not to distribute dividends for preferred shares. If the annual financial statements show no profit, or if the shareholders' meeting resolves not to distribute dividends, the undistributed dividends shall not be accumulated or deferred for payment in future years when profits are available.
3. Preferred shareholders may only receive the dividends specified in Item 2 and shall not participate in the distribution of earnings or capital reserves as cash or as capitalized shares allocated to common shareholders.
4. The priority for special shareholders in the distribution of the Company's residual assets is higher than that of ordinary shareholders. This priority is the same as the compensation order of all types of special shareholders issued by the Company, which is subordinate to general creditors. However, the distribution is limited to an amount calculated based on the issue price of the outstanding special shares issued and in circulation at the time of distribution.

5. Preferred shareholders do not possess voting rights or election rights at the shareholders' meeting. However, they may be elected as directors and are entitled to vote at the preferred shareholders' meeting, as well as in matters pertaining to the rights and obligations of preferred shareholders.
6. Preferred shares may not be converted into common shares.
7. Preferred shares have no maturity date, and holders of preferred shares cannot request the Company to redeem the preferred shares they hold. However, the Company may redeem all or a portion of the preferred shares at any time after five years from the date of issuance, at the original issuance price. Unredeemed preferred shares shall continue to carry the rights and obligations specified under the aforementioned issuance terms. If the Company resolves to distribute dividends for the year, the dividends payable up to the redemption date shall be calculated based on the actual number of issuance days for that fiscal year.
8. The capital reserve resulting from the premium issuance of preferred shares shall not be capitalized during the issuance period of the preferred shares. The name, issuance date, and specific issuance conditions of preferred shares are authorized to be determined by the Board of Directors at the time of actual issuance, based on the capital market conditions and investor preferences, in accordance with the Company's Articles of Incorporation and relevant laws and regulations.

Article 6: The Company's shares are issued in dematerialized form and are either held in custody or registered by the central securities depository.

Article 7: The handling of the Company's stock affairs shall be conducted in accordance with the relevant regulations set forth by the competent authorities, except as otherwise stipulated by laws or securities regulations.

Article 8: (Delete)

Chapter III. Shareholders' Meeting

Article 9: The shareholders' meeting consists of two types: regular meetings and extraordinary meetings. Regular meetings are held annually, within six months following the conclusion of each fiscal year. Extraordinary meetings may be convened as necessary in accordance with relevant laws and regulations.

A special shareholders' meeting for preferred shareholders may be convened as necessary in accordance with relevant laws and regulations.

Article 10: When shareholders are unable to attend the shareholders' meeting for any reason, they may issue a proxy form provided by the Company, specifying the scope of authorization, to appoint a proxy to attend on their behalf. The method for shareholders to appoint proxies for attending meetings shall comply with the provisions of the Company Act, as well as the regulations stipulated in the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" issued by the competent authority.

Article 10-1: The Company may transmit relevant documents and other notifications related to the shareholders' meeting via electronic means.

Article 11: Each shareholder of the Company is entitled to one voting right per share; however, in cases where the circumstances specified in Article 179 of the Company Act apply, voting rights shall not be granted.

Article 12: The shareholders' meeting shall be convened by the Board of Directors and chaired by the Chairman of the Board. In the event that the Chairman is absent, the Vice Chairman shall act as the Chairperson. If there is no Vice Chairman or the Vice Chairman is also unable to perform their duties due to leave or other reasons, the Chairman shall designate a director to act as the Chairperson. If no designation is made, the directors shall elect one among themselves to serve as the Chairperson. For meetings convened by convening authorities other than the Board of Directors, the Chairperson shall be the convening authority. If there is more than one convening authority, they shall mutually elect one to act as the Chairperson.

Article 12-1: The Company may conduct shareholders' meetings via video conferencing or other methods announced by the central competent authority, in accordance with the relevant regulations of the securities authority.

Chapter IV. Board of Directors and Audit Committee

Article 13: The Company shall maintain a Board of Directors comprising seven to eleven members, each serving a term of three years, and may be eligible for re-election. If the term of office for directors expires before a re-election can be held, their duties shall be extended until the newly elected directors assume office. The total shareholding ratio of all directors of the Company shall be handled in accordance with the regulations established by the securities authority.

The aforementioned Board of Directors shall consist of no fewer than three independent directors. The selection of directors shall adopt a candidate nomination system, with directors being elected by the shareholders' meeting from the list of candidates. The professional qualifications, shareholding, restrictions on concurrent positions, nomination and election methods, and other compliance requirements for independent directors shall be governed by the relevant regulations established by the securities authority.

Article 13-1: The Company shall establish an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed entirely of independent directors and shall be responsible for performing the functions of supervisors as stipulated by the Company Act, the Securities and Exchange Act, and other relevant laws and regulations.

The members, authority, and compliance requirements of the Audit Committee shall be handled in accordance with the relevant laws and regulations. The rules governing its organization shall be separately determined by the Board of Directors.

The Company may establish a Compensation Committee or other functional committees as required by law or business needs.

Article 13-2: (Deleted).

Article 14: Directors form the Board of Directors, with one person elected as Chairman to preside over all company operations. The Chairman must be selected by mutual selection from among Board members, requiring the attendance of more than two-thirds of the directors and agreement of a majority of the attending directors.

Furthermore, one person shall be elected as the Vice Chairman to support the Chairman.

Article 14-1: The convening of the Company's Board of Directors shall be notified to all directors seven days in advance. In case of emergencies, the Board of Directors may be convened at any time.

The convening of the Company's Board of Directors may be conducted in writing, via email, or by fax.

Article 15: Within the Company, the Chairman serves as the Chairperson of the shareholders' meeting and the Board of Directors; externally, the Chairman represents the Company. If the Chairman takes leave or is unable to perform their duties due to certain reasons, the Vice Chairman shall act as a proxy. If there is no Vice Chairman or the Vice Chairman is also unable to perform their duties due to certain reasons, the Chairman shall designate a director to act as a proxy. If the Chairman does not designate a proxy, the directors shall mutually elect one person to act as a proxy.

Article 16: Meetings of the Board of Directors shall be convened by the Chairman unless otherwise stipulated by the Company Act. A director may delegate another director to attend Board meetings on their behalf; however, each delegation must be accompanied by a letter of proxy specifying the scope of authorization and the reasons for the proxy. A proxy representative may only act on behalf of one delegating director.

If an independent director is unable to attend the board meeting to express dissenting or reserved opinions for any reason, they may not delegate a non-independent director to attend the meeting on their behalf. Furthermore, they must submit a written opinion, which will be recorded in the minutes of the board meeting.

Article 16-1: Resolutions of the Board of Directors require the attendance of more than half of the directors and approval by a majority of the attending directors. The minutes of the meetings shall be signed or stamped by the Chairperson.

Article 16-2: (Deleted).

Article 16-3: (Deleted).

Chapter V. Manager

Article 17: The Company shall appoint one Chief Executive Officer (CEO) and one Deputy Chief Executive Officer (Deputy CEO) in accordance with the resolution of the Board of Directors. These individuals shall be responsible for coordinating and overseeing the operations and decision-making processes of the Company and all of its affiliates.

The Company shall appoint a President who, under the supervision of the Board of Directors, is responsible for executing overall business operations within the scope of their authorized authority.

The appointment, dismissal, and compensation of the Company's managers shall be conducted in accordance with the provisions of Article 29 of the Company Act.

Chapter VI. Accounting

Article 18: At the end of each fiscal year, in accordance with the law, the Board of Directors shall prepare and submit the following documents to the annual shareholders' meeting for approval: (1) business report, (2) financial statements, and (3) proposals of surplus earnings distribution or loss off-setting.

Article 19: When performing their duties for the Company, directors may receive compensation regardless of the Company's operating profit or loss. The determination of such compensation is authorized to the Board of Directors, based on the directors' level of participation in company operations and the value of their contributions, and shall not exceed the maximum salary grade stipulated in the Company's salary guidelines. Where the Company made a profit in a fiscal year, compensation shall be distributed in accordance with the provisions of Article 20.

During their term of office, directors shall be liable for compensation in accordance with the scope of their business operations. The Board of Directors is authorized to purchase liability insurance on their behalf.

Article 20: In the event that the Company generates a profit for the year, it is recommended to allocate no under 2% for employee compensation and no more than 2% for director compensation. Conversely, if the Company has incurred accumulated losses, it should set aside a portion of the funds for offsetting purposes.

The distribution proposals for employee compensation and director remuneration shall be resolved by the Board of Directors and reported to the Shareholders' Meeting.

Of the total employee compensation mentioned above, at least 8% should be allocated for the distribution of compensation to basic-level employees. The mentioned employee compensation can be given in the form of stocks or cash. The recipients of this compensation include employees of subsidiary companies who meet specific criteria.

Article 20-1: Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, and setting aside as a legal reserve 10% of the remaining profit. However, when the accumulated amount of such legal reserve equals to the Company's total issued capital, no further appropriation is required, and the remainder shall be set aside or reversed as special reserve in accordance with laws and regulations; if there is still a balance, it shall be combined with the retained earnings. From this balance, after distributing preferred stock dividends in accordance with Article 5-1 of the Articles of Incorporation, the remaining amount shall then be used to distribute common stock dividends. If the surplus distribution proposal involves issuing new shares, it must be approved at the shareholders' meeting; if it involves cash distribution, it shall be decided by the Board of Directors.

According to Articles 240 and 241 of the Company Law, the Board of Directors has the authority to distribute dividends, bonuses, capital surplus, or statutory retained earnings, either fully or partially in cash. This distribution is subject to a resolution passed by two-thirds or more of the directors present, as well as a majority of the attending directors. The distribution must be reported to the shareholders' meeting. If new shares are issued, they will be handled in accordance with the resolution of the shareholders' meeting as stipulated.

The Company's dividend policy is stipulated based on its current and future development plans, together with the consideration of the investment environment, capital requirements, domestic and international competition, and shareholders' interests. Earnings distribution to common shareholders shall not be less than 10%of distributable earnings. However, no distribution shall be made if the balance of distributable earnings is less than 1%of paid-in capital. Dividends may be distributed to shareholders in cash or shares, with cash dividends being no less than50% of the total dividends.

Article 20-2: If the Company intends to repurchase its own shares and subsequently transfer them to employees at a price lower than the average repurchase price, it shall adhere to the provisions outlined in Article 10-1 and Article 13 of the Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies, and obtain approval through a resolution passed at the most recent shareholders' meeting (with shareholders representing more than half of the total issued shares present, and consent from more than two-thirds of the attending shareholders).

Article 20-3: If the Company intends to issue employee stock option certificates at a subscription price lower than the market price (net asset value per share), it shall comply with the provisions of Article 56-1 and Article 76 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, and obtain approval through a resolution at the shareholders' meeting before issuance.

Chapter VII. Supplementary Provisions

Article 21: The Company is authorized to provide external endorsements/guarantees, and such operations shall be conducted in accordance with the Company's endorsement and guarantee operating procedures.

Article 22: The total amount of the Company's reinvestments shall not be subject to the 40% restriction on paid-in capital, and operations shall be conducted in accordance with the Company's management procedures for long-term and short-term investments.

Article 23: Matters not stipulated in these Articles shall be addressed in accordance with the provisions of the Company Act.

Article 24: These Articles of Incorporation were established on August 22, 1968. The first amendment was made on July 13, 1974, the 2nd amendment was made on September 21, 1974, the 3rd amendment was made on February 5, 1975, the 4th amendment was made on July 13, 1977, the 5th amendment was made on August 29, 1981, the 6th amendment was made on September 18, 1983, the 7th amendment was made on November 22, 1984, the 8th amendment was made on October 8, 1986, the 9th amendment was made on September 25, 1987, the 10th amendment was made on December 7, 1989, the 11th amendment was made on September 7, 1990, the 12th amendment was made on September 15, 1991, the 13th amendment was made on January 24, 1992, the 14th amendment was made on October 20, 1993, the 15th amendment was made on November 20, 1993, the 16th amendment was made on January 27, 1994, the 17th amendment was made on November 5, 1995, the 18th amendment was made on June 25, 1996, the 19th amendment was made on July 31, 1996, the 20th amendment was made on October 3, 1996, the 21st amendment was made on December 29, 1996, the 22nd amendment was made on June 15, 1997, the 23rd amendment was made on September 4, 1997, the 24th amendment was made on October 17, 1997, the 25th amendment was made on November 22, 1997, the 26th amendment was made on May 19, 1998, the 27th amendment was made on June 11, 1998, the 28th amendment was made on October 17, 1998, the 29th amendment was made on June 11, 1999, the 30th amendment was made on May 15, 2000, the 31st amendment was made on April 30, 2001, the 32nd amendment was made on May 30, 2002, the 33rd amendment was made on May 30, 2002, the 34th amendment was made on June 18, 2003, the 35th amendment was made on May 18, 2004, the 36th amendment was made on June 7, 2005, the 37th amendment was made on May 24, 2006, the 38th amendment was made on June 13, 2007, the 39th amendment was made on June 18, 2008. the 40th amendment was made on June 8, 2010, the 41st amendment was made on June 3, 2013, the 42nd amendment was made on June 17, 2016, the 43rd amendment was made on May 26, 2017, the 44th amendment was made on May 30, 2019, the 45th amendment was made on May 28, 2020, the 46th amendment was made on July 28, 2021, the 47th amendment was made on May 27, 2022, the 48th amendment was made on May 28, 2024,and the 49th amendment was made on May 27, 2025, and amended for the 50th time on May 26, 2026.

Wah Lee Industrial Corp.

Chairman: Chang, Tsuen-Hsien