

# Articles of Incorporation of Taiwan Tea Corporation

50th amendment on May 23, 2019

## Chapter I General Provisions

Article 1: The Company has been duly incorporated in accordance with the rules on the company limited by shares of the Company Act and titled “Taiwan Tea Corporation.”

Article 2: The scope of the Company's business services is shown as follows:

1. A101020 Growing of Crops.
2. A101030 Growing of Special Crops.
3. A102020 Agricultural Products Preparations.
4. A102050 Agricultural Services.
5. B202010 Mining of Non-metallic.
6. B601010 On land Clay and Stone Quarrying.
7. C110010 Beverage Manufacturing.
8. C111010 Tea Manufacturing.
9. E801010 Indoor Decoration.
10. E801030 Indoor Light-gauge Steel Frame Engineering.
11. E901010 Painting Engineering.
12. F102030 Wholesale of Tobacco Products and Alcoholic Beverages.
13. F102050 Wholesale of Tea Leaves.
14. F102040 Wholesale of Nonalcoholic Beverages.
15. F102170 Wholesale of Foods and Groceries.
16. F201010 Retail Sale of Agricultural Products.
17. F203010 Retail sale of Food Products and Groceries.
18. F203020 Retail Sale of Tobacco and Alcohol.
19. F108031 Wholesale of Medical Devices.
20. F208031 Retail Sale of Medical Apparatus.
21. F401161 Tobacco Products Import.
22. F401171 Alcohol Products Importation.
23. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.

- 24. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
- 25. F113020 Wholesale of Household Appliance.
- 26. F213010 Retail Sale of Electrical Appliances.
- 27. F113050 Wholesale of Computers and Clerical Machinery Equipment.
- 28. F213030 Retail Sale of Computers and Clerical Machinery Equipment.
- 29. F113070 Wholesale of Telecom Instruments.
- 30. F213060 Retail Sale of Telecommunication Apparatus.
- 31. F116010 Wholesale of Photographic Equipment.
- 32. F216010 Retail Sale of Camera Equipment.
- 33. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures.
- 34. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures.
- 35. F401010 International Trade.
- 36. F501030 Beverage Shops.
- 37. F501050 Public Houses and Beer Halls.
- 38. F501060 Restaurants.
- 39. HZ02010 Financial Institution Creditor's Right(Money) Purchase.
- 40. HZ02020 Process Financial Institution Creditor's Right(Money) Appraisal and Auction Business.
- 41. H701010 Housing and Building Development and Rental.
- 42. H701020 Industrial Factory Development and Rental.
- 43. H701040 Specific Area Development.
- 44. H701060 New Towns, New Community Development.
- 45. H701080 Urban Renewal Reconstruction.
- 46. H703090 Real Estate Commerce.
- 47. H703100 Real Estate Leasing.
- 48. H703110 Senior Citizen Residence.
- 49. I101070 Agriculture, Forestry, Fishing and Livestock

	Consulting.
50. I101090	Food Consulting.
51. IG01010	Biotechnology Services.
52. JD01010	Industrial and Commercial Credit Checking Service.
53. D101060	Self-usage power generation equipment utilizing renewable energy industry.
54. D401010	Thermal Energy Supply.
55. A102041	Recreational Agriculture.
56. ZZ99999	All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The total amount of the Company's investment in other companies may be more than 40% of the Company's paid-in-capital.

Article 4: The Company is headquartered in Taipei City and may establish branches in appropriate locations.

## Chapter II Shares

Article 5: The public announcement method of the Company is subject to Article 28 of the Company Act.

Article 6: The Company has a capital of NT\$ 16 billion in 1.6 billion shares. Each share has a par value of NT\$ 10. The Board of Directors is authorized to issue the shares at different phases.

An amount of NT\$ 0.2 billion of the capital referred to in the preceding paragraph shall be reserved for the issuance of employee stock warrants totaling 20 million shares. The par value of each share is NT\$ 10. The shares may be issued at different phases according to the resolution of the Board of Directors.

Article 6-1: If the Company offers the employee stock warrants at a subscription price lower than the market price, the resolution made thereto shall be adopted by a large majority representing two thirds or more of the votes at a shareholders' meeting attended by shareholders representing a majority of the total number of issued shares shall be required.

Article 7: The stocks of the Company are registered form. They shall be numbered and signed by or affixed with the stamps of the Chairman and managing directors. The stocks may be issued only after being

authenticated by the competent authority or an issuance registration institution approved by the competent authority. The Company is exempted from printing share certificates for the issued shares. However, all the issued shares shall be registered with the centralized depository institution.

Article 8: Transfer of share ownership shall be suspended within 60 days prior to an annual meeting of shareholders or 30 days before an extraordinary shareholders' meeting, or within 5 days prior to the record date on which the Company has decided to distribute dividends and bonuses or other benefits.

Article 9: The Company shall handle its share-related affairs in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” announced by the competent authority.

### Chapter III Shareholders' Meetings

Article 10: The Company's meetings of shareholders include annual and extraordinary meetings. The annual meetings are convened once a year within 6 months after the close of a fiscal year. The extraordinary meetings may be held whenever deemed necessary according to laws and regulations. For convening an annual meeting of shareholders, a notice shall be given to all shareholders 30 days before the meeting; before convening an extraordinary meeting of shareholders, a notice shall be given to all shareholders 15 days prior to the meeting.

Unless otherwise specified in the Company Act, the shareholders' meetings referred to in the preceding paragraph shall be convened by the Board of Directors.

Article 11: Where the Board of Directors may call for a shareholders' meeting, the Chairman of the Company shall preside over the meeting. In the absence of the Chairman for any reason, the Vice Chairman shall act on behalf of and in the name of the Chairman to preside over the meeting. Where there is no seat of a Vice Chairman, in the absence of the Vice Chairman or where the Vice Chairman cannot perform his/her duties for any reason, the Chairman shall appoint a director to preside over the meeting. If the Chairman does not have a representative appointed to attend the meeting, the attending directors shall appoint one among themselves to preside over the

meeting. Where a shareholders' meeting is convened by any convener other than the Board of Directors, the convener shall chair the meeting. Where there are two or more conveners, they shall appoint one among themselves to serve as the chair. .

Article 12: Shareholders are entitled to one vote for each share of holding. However, the shareholders shall not be entitled to voting rights if they meet any of the circumstances specified in Article 179 of the Company Act.

Any shareholder who is unable to attend a shareholders' meeting for whatever reason may appoint a proxy to attend the meeting by presenting a written proxy printed by the Company and stamped with the seal retained by the Company indicating the scope of the authorization. The use of the written proxy shall be subject to Article 177 of the Company Act and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" formulated by the competent authority based on Article 25 of the Securities and Exchange Act.

The written proxy referred to in the preceding paragraph shall be served to the Company 5 days prior to the date of convening the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the Company shall prevail unless a declaration for revocation of the previous proxy is made.

According to the competent authority regulations, the shareholders of the Company may exercise voting rights in an electronic form. Any shareholder exercising voting rights in an electronic form shall be deemed as having attended the shareholders' meeting in person. Relevant matters shall be handled pursuant to laws and regulations.

Article 13: Unless otherwise specified in relevant laws and regulations, resolutions of shareholders' meetings shall be adopted by a majority of votes of shareholders at a meeting attended by shareholders representing a majority of the total number of the issued shares; the shareholders may attend the meeting either in person or by their proxies.

Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting. The meeting minutes shall be affixed with the chair's signature or seal and distributed to all shareholders

within 20 days after the meeting. The meeting minutes referred to in the preceding paragraph may be distributed in the form of an announcement.

#### Chapter IV The Board of Directors

Article 14: The Company shall assign 10 to 15 directors. The said number of directors shall include at least 3 independent directors representing no less than one-fifth of the directors. All directors shall serve a term of 3 years and shall be elected by shareholders from the list of nominated candidates using the candidate nomination system. The directors may be re-elected for consecutive terms. Independent directors and directors shall be elected at the same time, with the elected seats counted separately.

The professional qualifications, restrictions on shareholdings and concurrent positions, determination of independence, methods of nomination and election, and other requirements of independent directors shall be subject to the laws and regulations of the Company Act and the same established by the competent authority of securities.

The total number of registered shares held by all directors shall conform to the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” established by the competent authority.

Where one-third of the seats of directors are vacant, the Board of Directors shall call an extraordinary shareholders’ meeting within 60 days to elect succeeding directors. The term of each succeeding director shall be limited to the remaining term of his/her predecessors.

Article 15: The Board of Directors consists of directors. The directors shall elect one among themselves to serve as the Chairman and may elect another director to serve as the Vice Chairman to assist the Chairman. The Chairman takes charge of all the business within the Company and serves as the representative of the Company to the public.

Article 16: The Chairman shall act as the chair of the Board of Directors to take charge of relevant affairs. Where the Chairman is absent for any reason, the Vice Chairman shall act as the deputy thereof. If there is no seat of a Vice Chairman or the Vice Chairman is absent

for any reason, the Chairman shall appoint one director to act on his/her behalf. Where the Chairman does not appoint a director to attend meetings, the attending directors shall appoint one among themselves to serve as the Chairman's deputy.

Article 17: The duties and powers of the Board of Directors are as follows:

- I. Review and approval of essential rules and regulations.
- II. Decision on business guidelines.
- III. Determination of budgets and final accounting.
- IV. Establishment of earning distribution plans.
- V. Establishment of capitalization and decapitalization plans.
- VI. Handling of real estate trades.
- VII. Appointment of the Company's key personnel.
- VIII. Decision on the Company's organizational adjustment.
- IX. Decision on essential matters that do not belong to the preceding paragraphs.
- X. Any other duties and powers provided pursuant to the Company Act and the resolutions of shareholders' meetings.

Article 18: The Board of Directors shall hold an annual meeting once a quarter. A notice shall be given to all directors 7 days before the date of the annual meeting. An extraordinary board meeting may be convened whenever it is deemed necessary. All the annual meetings and extraordinary board meetings shall be convened by the Chairman. The Company's board meetings may be convened in a written or electronic form, or by fax.

Any director who cannot attend a board meeting for whatever reasons may appoint any other director to act on his/her behalf by presenting a written proxy that indicates the scope of authorization with reference to the subjects to be discussed at the meeting. The proxy referred to in the preceding paragraph may be appointed for only one director.

The Board of Directors meetings may be held in the form of a teleconference, and the directors participating in the teleconference shall be deemed to attend the meeting in person.

Article 19: Unless otherwise specified in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of directors at a meeting attended by a majority of all directors. Where any director

has a personal interest in any matter at the board meeting, the director shall explain essential matters regarding the concerned personal interest at the board meeting, and shall recuse himself/herself from the discussion on the proposal in which the director is involved.

Article 20: No matter whether there is a profit or loss in the current year, the Company shall authorize the Board of Directors to establish the payment standard in reference to peers and pay remuneration to directors according to the standard.

## Chapter V Audit Committee

Article 21: The Company has the Audit Committee set up in accordance with Article 14-4 of the Securities and Exchange Act to substitute for supervisors. The Audit Committee or the members thereof shall be responsible for exercising the supervisors' duties and powers specified in the Company Act, the Securities and Exchange Act, and other laws and regulations.

The Board of Directors may establish other functional committees, and the Board of Directors shall formulate the rules of those committees.

Article 22: The duties and powers of the Audit Committee are as follows:

I. Investigation of the Company's financial position.

II. Audit of books of account and documents.

III. Inquiry about the Company's business status.

IV. Supervision of employees' performance of exercising their duties and reporting of any violation and omission.

V. Any other duties and powers provided pursuant to the Company Act.

Article 23: No matter whether there is a profit or loss in the current year, the Company shall authorize the Board of Directors to establish the payment standard in reference to peers and pay remuneration to independent directors according to the standard.

## Chapter VI Managerial Officers

Article 24: The Company shall have one General manager or their equivalents, assistant general managers or their equivalents, deputy and several Assistant general managers. A majority of directors adopts the appointment and dismissal of the General manager and Assistant



general managers at a board meeting attended by a majority of all directors pursuant to Article 29 of the Company Act.

Article 25: The President shall handle daily affairs in accordance with law or regulations and under the resolutions of the Board of Directors with the Assistant general managers' assistance.

## Chapter VII Final Accounting and Distribution of Earnings

Article 26: At the close of each fiscal year, the Board of Directors shall prepare the statements and records listed left,

hand these statements and records to the Audit Committee for audit within 30 days before convening the annual meeting of shareholders. Then, submit the same to the annual meeting of shareholders for ratification.

I. Business report.

II. Financial statements.

III. Proposals of earning distribution or loss appropriation.

Article 27: Annual profits concluded by the Company shall be subject to employee remuneration of at least 1%, which may be distributed in shares or cash depending on the resolution made by the Board of Directors. Such employee remuneration may be distributed to the employees of affiliated companies that meet certain requirements. Subject to the resolution made by the Board of Directors, director remuneration may be provided up to 5% of the above-mentioned annual profits.

A majority of directors shall adopt the resolution made to employee remuneration and director remuneration at a board meeting attended by at least two-thirds of the members of the Board of Directors; a report on the employee remuneration shall be submitted to the shareholders' meeting.

Profits must first be taken to offset cumulative losses, if any, before being distributed to employees and directors as remuneration at the percentages mentioned above.

Article 27-1: The Company is in the phase of booming growth in our business life cycle. We have increasingly expanded our business scale to become an entity that will continue as a going concern. In consideration of the Company's future financing

needs and long-term financial plans, the distribution of future earnings is described as follows:

If the Company has a profit at the year's final accounting, it shall first pay the income tax and make up any cumulative losses in accordance with laws, and then make a 10% contribution of the balance to the legal reserve, unless the legal reserve reaches the amount of the Company paid-in capital, and also make provision/reversal of special reserves pursuant to laws. The residual balance shall be added to accumulated undistributed earnings as earnings to be allocated that may be retained by the Board of Directors, depending on operational requirements. The Board of Directors shall also draft a motion for allocating the residual balance plus the undistributed earnings and submitting the same to a shareholders' meeting to resolve whether shareholder bonus shall be allocated.

The Company may allocate shareholder bonus in cash or shares, and the dividend in cash shall not be less than 10% of the total shareholder bonus.

Where allocation of dividends and bonuses to shareholders, or allocation of legal reserves and capital reserves, in whole or in part, is made in cash, the Board of Directors is authorized to make a resolution thereto that shall be adopted by a majority of directors at a board meeting attended by at least two-thirds of the directors in the Board. Then the allocation shall be reported at a shareholders' meeting.

## Chapter VIII Supplemental Provisions

Article 28: The organizational regulations of the Company shall be established separately.

Article 29: Matters that the Articles of Incorporation do not cover shall be handled in accordance with the Company Act.

Article 30: The Articles of Incorporation was established on March 8, 1950. The first amendment thereto was made on June 20, 1953; the second amendment thereto was made on March 10, 1955; the third amendment thereto was made on May 28, 1956; the fourth amendment thereto was made on May 30, 1959; the fifth amendment thereto was made on September 5, 1959; the sixth amendment thereto was made on August 27, 1960; the seventh

amendment thereto was made on June 24, 1961; the eighth amendment thereto was made on June 4, 1967; the ninth amendment thereto was made on June 21, 1969; the tenth amendment thereto was made on August 25, 1972; the eleventh amendment thereto was made on June 28, 1975; the twelfth amendment thereto was made on June 24, 1977; the thirteenth amendment thereto was made on October 21, 1978; the fourteenth amendment thereto was made on May 31, 1979; the fifteenth amendment thereto was made on May 31, 1980; the sixteenth amendment thereto was made on August 29, 1981; the seventeenth amendment thereto was made on June 19, 1982; the eighteenth amendment thereto was made on June 18, 1983; the nineteenth amendment thereto was made on June 15, 1985; the twentieth amendment thereto was made on June 21, 1986; the twenty-first amendment thereto was made on June 20, 1987; the twenty-second amendment thereto was made on April 25, 1988; the twenty-third amendment thereto was made on June 7, 1989; the twenty-fourth amendment thereto was made on April 10, 1990; the twenty-fifth amendment thereto was made on May 31, 1991; the twenty-sixth amendment thereto was made on May 30, 1992; the twenty-seventh amendment thereto was made on April 10, 1993; the twenty-eighth amendment thereto was made on April 8, 1994; the twenty-ninth amendment thereto was made on April 29, 1995; the thirtieth amendment thereto was made on March 27, 1996; the thirty-first amendment thereto was made on April 26, 1997; the thirty-second amendment thereto was made on March 28, 1998; the thirty-third amendment thereto was made on April 15, 2000; the thirty-fourth amendment thereto was made on May 17, 2001; the thirty-fifth amendment thereto was made on June 17, 2002; the thirty-sixth amendment thereto was made on May 9, 2003; the thirty-seventh amendment thereto was made on June 11, 2004; the thirty-eighth amendment thereto was made on June 15, 2006; the thirty-ninth amendment thereto was made on May 30, 2007; the fortieth amendment thereto was made on June 13, 2008; the forty-first amendment thereto was made on June 10, 2009; the forty-second amendment thereto was made on June 15, 2010; the forty-third amendment thereto was made on June 5, 2012; the forty-fourth amendment thereto was made on May 10, 2013; the forty-fifth

amendment thereto was made on June 20, 2014; the forty-sixth amendment thereto was made on June 8, 2016; the forty-seventh amendment thereto was made on September 29, 2016; the forty-eighth amendment thereto was made on June 13, 2017; the forty-ninth amendment thereto was made on June 12, 2018;the fiftieth amendment thereto was made on May 23, 2019.