

Articles of Incorporation of Winstek Semiconductor Co., Ltd.

Chapter I - General provisions

- Article 1 - The Company is organized under the provisions of the Company Law pertaining to companies limited by shares and is named Winstek Semiconductor Co., Ltd. °
- Article 2 - The lines of business of the Company shall be as below:
- 1) CB0101 Manufacture of machinery and equipment;
 - 2) CC01050 Manufacture of data storage and processing equipment;
 - 3) CC01070 Manufacture of radio communication machinery and appliance;
 - 4) CC01080 Manufacture of electronic spare parts and components;
 - 5) E701010 Communication project;
 - 6) F401030 Manufacture and export;
 - 7) G801010 Warehousing;
 - 8) I301010 Information software service;
 - 9) I501010 Product design;
 - 10) IZ99990 Other industrial and commercial service (integrated circuit, research and development, and testing of IC and its testing units);
 - 11) F119010 Wholesale of electronic materials; and
 - 12) F219010 Retail of electronic materials.
 - 13) Beside for authorized business, the Company can operate non- forbidding and non- restriction business by law.
- Article 3 - The Company may, to meet business requirement, provide guarantee service to third parties and invest in other businesses, provided the total amount of such investment may exceed 40% of the Company's paid-in capital.
- Article 4 - The head office of the Company is established in Hsinchu County and may, if necessary, incorporate subsidiaries at other appropriate locations. The incorporation and dissolution of subsidiaries shall be subject to the decision of the board of directors.
- Article 5 - The Company shall issue public notices according to regulation of Company Act , Article #28.

Chapter II - Shares

Article 6 - The total authorized capital of the Company shall be NT\$4,000,000,000, divided into 400,000,000 shares with a par value of NT\$10 each, to be issued by installments. In which NT\$125,000,000, divided into 12,500,000 shares is reserved for Employee Stock Option Plan.

Article 7 - The share certificates of the Company shall all be name-bearing and shall not be issued unless they are duly affixed with the signature and seal of at least three directors and the logo of the Company, and certified by law. After Company shares are public issued , it can issued scrip-less shares according to regulation.

Article 8 - The process of stock's affairs are follow by the regulation of Security Authority .

Article 9 - Delete

Article 10 - Delete

Article 11 - Delete

Article 12 - Delete

Article 13 - Transfers of shares shall be suspended during the 60 days prior to a regular shareholders' meeting, 30 days prior to a special shareholders' meeting, or five days prior to the record date set by the Company for distributing share dividends, bonuses or other benefits.

Chapter III - Shareholders' Meeting

Article 14 - Shareholders' meetings shall be of two types: regular shareholders' meeting and special shareholders' meeting, the former to be convened once six months after the close of each business year and called by the board of directors, and the latter to be called by law at such time as may be deemed necessary .

Article 14-1 - The notice for holding of regular shareholders' meeting shall be by 30 days prior to the meeting date, the notice of holding of special shareholders' meeting shall be by 15 days prior to the meeting date, To the shareholders which hold shares certificate is less then 1,000 share can be informed by public announcement for holding the meeting.

Article 15 - Except for no voting rights as required by Company Act, Article #179, each shareholder shall have one vote for each share held.

Article 16 - The chairman of the board of directors shall act as the chairman of a shareholders' meeting. In the absence of the chairman of the board of directors, he shall designate a director as his proxy. In the absence of such designation, the directors shall elect from among themselves a person to chair the meeting. Where a shareholders' meeting is convened by a person with authority other than the Board of Directors, such convener shall act as the chairman of the shareholders' meeting. Where there are two (2) or more conveners, the chairman of the meeting shall be elected amongst such conveners.

Article 17 - Except as otherwise provided by the Company Law, resolutions of a shareholders' meeting shall be adopted a majority vote of shareholders present at a meeting attended by shareholders representing a majority of the total number of issued shares.

The voting power at a shareholders' meeting may be exercised in writing or by way of electronic transmission.

Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting.

Chapter IV – Board of Directors

Article 18 - The Company shall have 9~11 directors forming a board of directors, to be elected from among shareholders of legal capacity at a shareholders' meeting and to hold office for three years. All directors are eligible for re-election. The aforesaid Board of Directors must have at least three independent directors. The elections for directors of the Company shall proceed with the candidate nomination system; the shareholders shall elect the directors from among the nominees listed in the roster of candidates. Elections for independent and non-independent directors shall proceed concurrently, and the number of elected directors shall be calculated separately. The professional qualifications, restrictions on shareholding and concurrent post, nomination and election processes and other requirements of independent directors shall be determined and executed in accordance with the Securities and Exchange Law and related regulations. The total shareholding ratio of all directors shall be in accordance with the Securities and Exchange Law and related regulations.

Article 18-1 - In compliance with Articles 14-4 of the Securities and Exchange Law, the Company shall establish an Audit Committee, which shall consist of all independent directors. Powers of Audit Committee, Audit Committee charter, exercise of its powers and other requirements of Audit Committee shall be in accordance with the Securities and Exchange Law and related regulations.

Article 19 - The board of directors shall be formed by the directors. The directors shall, by a majority vote of the directors present at a meeting of directors attended by at least two-thirds of the directors, elect from themselves a chairman of the board of directors. The chairman shall represent the Company in dealing with third parties.

Article 20 - The board of directors shall have the following functions:

- (1) To decide upon business policy;
- (2) To review and finalize important rules and contracts;
- (3) To incorporate and dissolve subsidiaries;
- (4) To prepare budgets and final accounts;
- (5) To appoint and remove key employees;
- (6) To decide major borrowing of loans;
- (7) To decide on the Company's major business and investment;
- (8) To decide employee stock subscription; and
- (9) Other matters provided for in the Company law and these Articles of Incorporation.

Article 21 - Except as otherwise provided in the Company Law, a directors' meeting shall be called and chaired by the chairman of the board of directors. In case the chairman of the board of directors is on leave or unable to perform his functions for causes, he shall designate a director as his proxy. In the absence of such designation, the directors shall elect from among themselves a person to chair the meeting. Individual directors shall be notified of a board meeting to be called for with proper statement of the causes seven days in advance. In an emergency, a board meeting may be called at any time. Notifications of board meetings may be in writing or via email or fax.

Article 22 - Except as otherwise provided by the Company Law, resolutions of a directors' meeting shall be adopted by a majority vote of the directors present at a meeting attended by directors representing a majority of the total number of issued shares.

Article 23 - In case a director is unable to attend a directors' meeting for cause, he may appoint another director as his proxy to attend the meeting in his place, provided a director may act as the proxy of only one other director in a directors' meeting.

Article 23-1- Payment for remuneration of Chairman and Director are authorized to Board of Director considering its participating in Company operation and general level payment in the same business.

Article 23-2- All members of Directors may insure duty insurance to his performing scope of business , it is authorized Board of Director to handle duty insurance for Directors.

Chapter V - Supervisors

Article 24 - Delete

Article 25 - Delete

Article 26 - Delete

Chapter VI - Managerial Officers

Article 27 - The Company may have several members of managerial officers, in charge of the Company's business in accordance with the policies resolved on by the board of directors. The appointment or removal of managerial officers shall be subject to Company Act , Article #29.

Article 28 - Delete

Chapter VII - Accounting

Article 29 - The business year of the Company shall be from January 1 to December 31 of the same year.

Article 30 - After the closing of books for each year, the board of directors shall prepare the following financial statements and documents which shall be referred to the regular shareholders' meeting for acceptance:

- (1) Business Report;
- (2) Financial Statements; and
- (3) Proposal for allocation of profit or measures to deal with losses.

Article 30-1 - If the Company has generated annual profits in a fiscal year, 0.1% to 15% of the annual profits shall be allocated as the remuneration to its employees and comply with certain conditions of the subordinate employees. However, if the Company has accumulated losses, an amount up to such losses should be reserved and set aside before any distribution of employee remuneration.

If the Company has generated annual profits in a fiscal year, 1% to 3% of the annual profits may be allocated as the remuneration to the directors in light of the business operational conditions. However, if the Company still has accumulated losses, an amount up to such losses should be reserved and set aside before any distribution of directors remuneration.

Article 31 - When allocating the net profits for each fiscal year, the Company shall first offset its losses in previous years and set aside a legal capital reserve at 10% of the profits left over, then set aside a special capital reserve if needed. If there is any net profit left over along with the accumulated profits undistributed from previous years, such remaining amount shall, after reserving a part thereof to meet the business operational needs of the Company, shall be distributed pursuant to a net profit distribution proposal resolved by the board and approved by the shareholders.

Article 31-1 - The policy of the Company on distributing the dividends shall take into consideration the factors such as net profits of the Company of the particular year and the prospective investment environment, demand of funds, capital budgetary planning and operation plan, along with the overall financial structure and net profit dilution. The amount of dividend distribution should not be lower than 10% of the net profit of that particular year, but if net profit per share is lower than 50 cents or the distributions of dividend will result in a breach of contract, dividend should be reserved and not to distribute. The net profit distributed by the Company should be distributed by either stock dividend or cash dividend, and cash dividend should not be lower than 10% of the total amount of the dividend.

Chapter VIII - Supplementary Provisions

- Article 32 - The organic regulations and by-laws of the Company shall be separately prescribed by the board of directors.
- Article 33 - Issues not addressed by these Articles of Incorporation shall be governed by the Company Law.
- Article 34 - These Articles of Incorporation were created on April 21, 2000. The 1st amendment was made on May 8, 2000, the 2nd amendment on August 5, 2000, the 3rd amendment on September 6, 2001, the 4th amendment on May 28, 2002, the 5th amendment on June 30, 2003, the 6th amendment on April 15, 2004, the 7th amendment on June 23, 2005, the 8th amendment on June 14, 2006, the 9th amendment on June 13, 2007, the 10th amendment on October 5, 2007, the 11th amendment on June 26, 2009, the 12th amendment on June 5, 2012, the 13th amendment on September 22, 2015, the 14th amendment on Jun 14, 2017.

Winstek Semiconductor Co., Ltd

Chairman: Huang Shin Yang