

Stock Code : 4972

Tons:

TONS LIGHTOLOGY Inc.

Handbook for the 2021 Annual Meeting of Shareholders

MEETING TIME : May 27, 2021

PLACE : 2F, No.236, Bo'ai Street, Shulin District,
New Taipei City

---Disclaimer---

THIS IS A TRANSLATION OF THE AGENDA FOR THE 2021 ANNUAL GENERAL SHAREHOLDERS' MEETING ("THE AGENDA") OF TONS LIGHTOLOGY Inc. ("THE COMPANY). THE TRANSLATION IS INTENDER FOR REFERENCE ONLY AND NO OTHER PURPOSE. THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE AGENDA SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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Tons Lightology Inc.

Procedure for the 2021 Annual Meeting of Shareholders

I. Call the Meeting to Order

II. Chairperson Remarks

III. Management Presentation

IV. Approval Items

V. Discussion

VI. Motions

VII. Adjournment

Tons Lightology Inc.

Year 2021

Agenda of Annual Meeting of Shareholders

Time: May 27, 2021 (Thursday) at 9:00 am

Place: 2F, No.236, Bo'ai Street, Shulin District, New Taipei City

I. Call the Meeting to Order

II. Chairperson Remarks

III. Management Presentation

1. 2020 Business Report
2. Audit Committee Examination Report on the 2020 Financial Statements
3. The remuneration to employees and directors report
4. Directors and managers' performance evaluation results and relevance and rationality report on their salary remuneration
5. Report on 2020 cash dividend payout case
6. Report of the third stock repurchase, and the implementation
7. Amendment to the Company's Codes of Ethical Conduct

IV. Approval Items

1. Adoption of the 2020 Business Report and Financial Statements
2. Adoption of the Proposal for Distribution of 2020 Profits

V. Discussion

1. Amendment to the Company's Rules of Procedure for Shareholder Meetings
2. Amendment to the Company's Regulations Governing the

Election of Director

3. Amendment to the Company's Loans and Funds Operating
Procedures

VI. Motions

VII. Adjournment

Management Presentation

Report 1

2020 Business Report.

Explanation: Please refer to the Agenda Handbooks for the 2020 Business Report [Attachment 1].

Report 2

Audit Committee Examination Report on the 2020 Financial Statements.

Explanation: Please refer to the Agenda Handbooks for the 2020 Financial Statements Examined by the Audit Committee [Attachment 2].

Report 3

The distribution of remuneration to the employees and directors.

Explanation:

- I. The Article 23.1 of the Company's Articles of Incorporation "appropriating 5~15% of the annual earnings, if any, as remuneration to employees and appropriating less than 2.5% of the annual earnings as remuneration to directors".
- II. For the 2020 net income before tax and before deducting the remuneration to employees and directors, appropriate 8.0% of such amount (equivalent to NT\$8,691,000) as remuneration to employees and appropriate 1.2% of such amount (equivalent to NT\$1,304,000) as remuneration to directors paid in cash.
- III. The appropriated remuneration to employees and directors was the same amount of the expense recognized in 2020.

Report 4

Directors and managers' performance evaluation results and relevance and rationality report on their salary remuneration.

Explanation:

- I. The performance of directors was evaluated according to the Regulations Governing Performance Evaluation of the Board of Directors and included as a basis for the calculation of salary and compensation according to the Regulations Governing Salary and Remuneration of Directors.
- II. The performance of managers was evaluated according to the

Regulations Governing Performance Evaluation and included as a basis for the calculation of salary and compensation according to the performance evaluation of employees.

III. The Remuneration Committee and the Board of Directors resolved that the results of performance evaluation of directors and managers and correlated properly with the amounts of their salaries and remuneration.

Report 5

Report on 2020 Cash Dividend Payout case.

Explanation:

- I. This case is handled in accordance with Article 24 of the Articles of Incorporation.
- II. The Company plans to distribute cash dividends at the amount of NT\$91,107,728 for the year of 2020. After 2,000,000 shares repurchased by the Company is deducted from 39,961,553 outstanding shares as of today, a total of 37,961,553 shares are to be distributed with cash dividends at NT\$2.40 per share. Cash dividends are distributed according to the shares held in the shareholder registry on the record date. Cash dividends are rounded up to dollar. The Chairman is authorized to determine the disposal of less than NT\$1 at his discretion.
- III. The ex-dividend date is set on June 22, 2021, and the book closing period is set from June 18 to June 22, 2021.
- IV. Cash dividends are set to be issued on July 16, 2021.
- V. When there is any change in the Company's outstanding shares; the Chairman is authorized to adjust the dividend per share in accordance with the actual outstanding shares on the ex-dividend date.
- VI. The Chairman is authorized to handle other unspecified matters at his discretion.

Report 6

Please refer to the following for the report of the Third Stock Repurchase, and the Implementation.

Explanation:

The Board of Directors' Resolution for the Third Stock Repurchase, and the Implementation

Time of Repurchase	Third Time
Approval Date	April 24, 2020
Period of Repurchase	April 27, 2020 to June 26, 2020
Purpose of Repurchase	Transfer to employees
Repurchased Stock Types and Quantity	600,000 shares of common stocks
Estimated Price Range for Repurchase	Between NT\$ 25 to 32. The Company will continue repurchasing stock if the stock price of the Company is lower than the bottom of the stipulated repurchase price range.
Actual Period of Repurchase	April 27, 2020 to May 29, 2020
Actual Repurchased Stock Types and Quantity	600,000 shares of common stocks
Amount of Actual Repurchased Stock	17,885,046 NTD
Average Repurchase Price for each Share	29.81 NTD
Implementation Efficiency of Actual Repurchased Stock	100%
Amount of Stock Transferred and Cancelled	600,000 shares
Purpose of Stock Repurchase after Change	Maintenance of the Company's credibility and shareholders' equity

Note 1: On July 31, 2020, the Board of Directors resolved to cancel the shares, with the record date of capital reduction set on August 3, 2020. The cancellation of shares was completed on August 27, 2020.

Note 2: On June 29, 2017, the Board of Directors resolved to change the purpose of stock repurchase.

Report 7

Amendment to the Company's Codes of Ethical Conduct.

Explanation:

- I. Amend partial content due to amended "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies".
- II. For the amendments before and after, please refer to [Attachment 3] of this Handbook.

Approval Items

Proposal 1

Proposed by the Board

Adoption of the 2020 Business Report and Financial Statements

Explanation:

- I. The Company's 2020 business report and financial statements had been prepared accordingly, of which, the financial reports (including the consolidated financial statements) and the business report were examined by the Audit Committee with a written examination report issued.
- II. Please refer to [Attachment 1] of the Agenda Handbooks for 2020 business report and [Attachment 4] for the 2020 independent auditor's report and financial statements.
- III. Please adoption.

Resolution:

Proposal 2

Proposed by the Board

Adoption of the Proposal for Distribution of 2020 Profits

Explanation:

- I. The 2020 Profit Distribution Table has been adopted in the 6st meeting of the 10th-term Board of Directors.
- II. Please refer to [Attachment 5] of the Agenda Handbooks for the 2020 Profit Distribution Table.
- III. Please adoption.

Resolution:

Discussion

Proposal 1

Proposed by the Board

Amendment to the Company's Rules of Procedure for Shareholder Meetings. Please proceed to discuss.

Explanations:

- I. Amend partial content due to amended "Company limited Rules of Procedure for Shareholders Meetings".
- II. For the amendments before and after, please refer to [Attachment 6] of this Handbook.

Resolution:

Proposal 2

Proposed by the Board

Amendment to the Company's Regulations Governing the Election of Director. Please proceed to discuss.

Explanations:

- I. Amend partial content due to amended "Company limited Procedures for Election of Directors".
- II. For the amendments before and after, please refer to [Attachment 7] of this Handbook.

Resolution:

Proposal 3

Proposed by the Board

Amendment to the Company's Loans and Funds Operating Procedures. Please proceed to discuss.

Explanations:

- I. Amend partial content due to amended Q37 in the "Q&A to the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies".
- II. For the amendments before and after, please refer to [Attachment 8] of this Handbook.

Resolution:

Motions

Adjournment

[Attachment 1]

Tons Lightology Inc.

The 2020 Business Report

As the world's major economies were ravaged by the COVID-19 pandemic in 2020, the global economy lagged for the first time in nearly a decade. In response to the pandemic, governments around the world concurred to roll out stimulus packages and quantitative easing policies, in an attempt to mitigate damage to the real economy and financial markets. A considerable-scale of money printing has caused the U.S. dollar to depreciate gradually. With the advancement of vaccine research and development, the pandemic is expected to subside, contributing to positive global economic growth in 2021.

Facing the changing trends of global economy and coronavirus pandemic, the Company responded in a steady manner and continued the lean policy of the last few years, including substantially improving production efficiency internally, controlling costs, developing high value-added products, optimizing the quality of customers, and refining product portfolio. In terms of branding effort, the Company had won over many lighting engineering projects of Taiwan that had helped Tons Lightology Inc. secured a leading position in the lighting engineering of museum in Taiwan. The Company will continue this momentum to root in Taiwan's professional lighting market and to convey the experience to Chinese market in order to increase brand awareness. In addition, the Company will continue to enhance the working environment and employee benefits, and protect the stability of human resources so the Company can stay competitive while facing economic fluctuations and uncertainties externally.

Overall, the Company's revenue experienced decline in 2020. With the support of shareholders and colleagues, the Company maintained a certain level of profits in such a competitive market. We would like to show our appreciation for the support of the shareholders on behalf of the Board of Directors of the Company. The Company's 2020 business operation and 2021 operational plans are briefed as follows.

I. The 2020 business operation

(I) Operating plan results and operating income and expense

In 2020, the Company's individual and consolidated net operating revenue were NT\$728,124 thousand and NT\$808,981 thousand respectively, a decrease of 23.75% and a decrease 25.54% respectively compared with NT\$954,958 thousand and NT\$1,086,420 thousand in 2019. The Company's individual and consolidated net income after tax were the same as NT\$79,054 thousand, a decrease of 25.20% (NT\$26,634 thousand) compared with NT\$105,688 thousand in 2019.

(II) Profitability analysis

The Company's operating revenue in 2020 was less than that in 2019.

Lower capacity utilization caused a slight decrease in gross profit margin; operating expenses were reduced due to the postponement of business activities, resulting in an operating profit ratio of 10.72%. Coupled with an increase in non-operating income, the Company registered a 9.77% consolidated profit margin after tax, which is commensurate to 9.73% in 2019.

(III) Research and development status

In 2020, the Company developed various products and obtained many patents, as described below. In terms of products, tracks and structures (TUC, HTH, HTHC), LED downlight (DG-F06R, DA-018A, DG-E04 RST, DG-603BST, DG-628RST), pendant lights (PG-L051D), low-voltage micro track lights (SA-541A, SA-541B, PAM-109, LGM-L01), focus track lights (SA-2830A, SA-4992), spotlights (SL-010, LGH-L08 LED), LED wall lights (BS-024SST, BR-003AST-12V, BS-215A), LED surface-mounted ceiling lights (WG-628R, WG-L051D), flush wall lights (OBS-504R/RST, OBS-601AST), replaceable luminaires (OFH-607), wall washer lights (OFW-502), bollards (OLG-224RST), wall lights (OQO-506ST), valve-shaped in-ground lights (OGA-208RV), and color temperature switch wall lights (OKR-104AST) were developed. On the part of patents, utility model patents on track connectors and luminaires for track, beads buckles, and adjustable luminaires for track, and design patents on track connectors, track connecting systems, high/low-voltage tracks and structures, up/down linear lights, stationary wall washer lights, projectors, and cord crimp end beads buckles (new pattern) were taken out.

In prospect, the Company will continue to research and develop forward-looking technology and innovative applications, to substantiate product design, and commercialize research and systematic production management in order to continue to promote the brand and deepen the Company's core competence and secure the leading position.

II. The 2021 business plan outline

(I) The important marketing policy and business policy

1. Products

- A. Continuing to strengthen indoor lighting products: Continue to complete indoor lighting products and invest in the development of low-cost light fixtures for meeting customer's needs due to the emerging of LED mass market.
- B. Continuing to expand outdoor lighting products: Continue to complete the development of outdoor lighting series in order to create the Company's future growth momentum.

2. Marketing:

- A. Promote green lighting and continue to develop new products.
- B. Enhance product value and maintain price competitiveness.
- C. Secure the existing market and develop emerging market with potentials.
- D. Participate in international exhibitions and commit to promote the

Company's brand.

3. Production:

- A. Simplify product lines, use common parts, and build safety stock for the frequently used parts in order to shorten delivery lead time.
- B. Strengthen automated production, improve manufacturing processes, increase efficiency, and reduce the impact of rising labor cost.

(II) The Company's future development strategy

Continue the business model of OEM and branding. In terms of OEM business, continue to attract more big customers in Europe for cooperation currently. In terms of branding business, Due to our significant achievement in the cross-strait markets, more investment would be conducted in the Greater China Area in order to create a stable revenue source.

(III) The impact on the external competitive environment, regulatory environment, and the overall business environment

The global economy is expected to rebound, but the environmental law in each country is increasingly stringent, added with the continuing increase of production cost in China and fluctuations in raw material prices have us faced severe challenges. We have come up with the following responsive measures for the challenges faced by us:

- 1. Recruit professionals, enhance management, and improve the Company's business strength.
- 2. Introduce external technologies, enhance research and development capabilities, and improve product value.
- 3. Meet customer needs with innovative brand and professional services.
- 4. Pay attention to changes in domestic and foreign policies and laws with responsive measures proposed in due course.

Chairman : TANG, SHIH-CHUAN

CEO : HUNG, CHIA-CHENG

CFO : WANG, CHIH-YUAN

[Attachment 2]

Tons Lightology Inc.
Audit Committee's Report

The Board of Directors had prepared and presented the Company's 2020 business report, financial report, and statement of retained earnings, of which, the financial report was consigned by the Board of Directors to be audited by CPA HUNG, SHU-HUA and CPA LIU, MEI-LAN of PWC Taiwan with an independent auditor's report issued.

We have reviewed the said business report, financial report, and statement of retained earnings without finding any nonconformity against the governing law and regulations. Also, we have issued this Audit Committee's report in conformity with Article 219 of the Company Law.

Sincerely yours,

To: The 2021 Annual Shareholders' Meeting of Tons Lightology Inc.

Independent Director HSU, CHUNG-YUAN
Independent Director CHOU, LIANG-CHENG
Independent Director LEE, SHYH-CHIN

February 26, 2021

湯石照明科技股份有限公司
道德行為準則修訂條文對照表

Tons Lightology Inc.

Codes of Ethical Conduct Amendment before and after

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>第二條 涵括之內容 Article 2 Content of the Code</p> <p>本公司考量個別狀況與需要所訂定之道德行為準則，至少應包括下列八項內容：</p> <p>Taking its individual circumstances and needs into consideration, the Company shall adopt a code of ethical conduct that addresses at least the following eight matters:</p> <p>一、防止利益衝突：</p> <p>1. Prevention of conflicts of interest:</p> <p>個人利益介入或可能介入本公司整體利益時即產生利害衝突，例如，當本公司董事或經理人無法以客觀及有效率的方式處理公務時，或是基於其在本公司擔任之職位而使得其自身、配偶或二親等以內之親屬獲致不當利益。</p> <p>Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the Company, as for example when a director, or managerial officer of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, or relatives within the second degree of kinship.</p>	<p>第二條 涵括之內容 Article 2 Content of the Code</p> <p>本公司考量個別狀況與需要所訂定之道德行為準則，至少應包括下列八項內容：</p> <p>Taking its individual circumstances and needs into consideration, the Company shall adopt a code of ethical conduct that addresses at least the following eight matters:</p> <p>一、防止利益衝突：</p> <p>1. Prevention of conflicts of interest:</p> <p>個人利益介入或可能介入本公司整體利益時即產生利害衝突，例如，當本公司董事或經理人無法以客觀及有效率的方式處理公務時，或是基於其在本公司擔任之職位而使得其自身、配偶、父母、子女或二親等以內之親屬獲致不當利益。</p> <p>Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the Company, as for example when a director, or managerial officer of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship.</p> <p>本公司應特別注意與前述人員</p>	<p>精簡第一款用語及增列允許匿名檢舉作業</p> <p>Simplify Paragraph 1 and add an undertaking of anonymous reporting.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>本公司應特別注意與前述人員所屬之關係企業資金貸與或為其提供保證、重大資產交易、進（銷）貨往來之情事。本公司應該以不危害全體股東權益為考量，盡力防止利益衝突之情事發生，並於董事會議中供董事或經理人主動說明其與公司有無潛在之利益衝突。</p> <p>The Company shall pay special attention to lending of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director or managerial officer works. The Company shall try its best to prevent conflicts of interest, so as not to harm the interests of all shareholders, and shall offer appropriate means for directors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the Company.</p> <p style="text-align: center;">（二～六 略）</p> <p style="text-align: center;">(Paragraphs 2 to 6 are omitted.)</p> <p>七、鼓勵呈報任何非法或違反道德行為準則之行為：</p> <p>7. Encouraging reporting on illegal or unethical activities:</p> <p>本公司內部應加強宣導道德觀念，並鼓勵員工於懷疑或發現有違反法令規章或道德行為準則之行為時，向審計委員會、經理人、內部稽核主管或其他適當人員呈報。為了鼓勵員工呈報違法情事，本公司應訂定具體檢舉制度，<u>允許匿名檢舉</u>，並讓員工知悉公司將盡全力保護<u>檢舉人</u>的</p>	<p>所屬之關係企業資金貸與或為其提供保證、重大資產交易、進（銷）貨往來之情事。本公司應該以不危害全體股東權益為考量，盡力防止利益衝突之情事發生，並於董事會議中供董事或經理人主動說明其與公司有無潛在之利益衝突。</p> <p>The Company shall pay special attention to lending of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director or managerial officer works. The Company shall try its best to prevent conflicts of interest, so as not to harm the interests of all shareholders, and shall offer appropriate means for directors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the Company.</p> <p style="text-align: center;">（二～六 略）</p> <p style="text-align: center;">(Paragraphs 2 to 6 are omitted.)</p> <p>七、鼓勵呈報任何非法或違反道德行為準則之行為：</p> <p>7. Encouraging reporting on illegal or unethical activities:</p> <p>本公司內部應加強宣導道德觀念，並鼓勵員工於懷疑或發現有違反法令規章或道德行為準則之行為時，向審計委員會、經理人、內部稽核主管或其他適當人員呈報。為了鼓勵員工呈報違法情事，本公司應訂定具體檢舉制度，並讓員工知悉公司將盡全力保護<u>呈報者</u>的安全，使其免於遭受報復。</p>	

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>安全，使其免於遭受報復。</p> <p>The Company shall raise awareness of ethics internally and encourage employees to report to the Audit Committee, a managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, the Company shall establish a concrete whistle-blowing system and allow an undertaking of anonymous reporting and make employees aware that the Company will use its best efforts to ensure the safety of informants and protect whistle-blowers from reprisals.</p>	<p>The Company shall raise awareness of ethics internally and encourage employees to report to the Audit Committee, a managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, the Company shall establish a concrete whistle-blowing system and make employees aware that the Company will use its best efforts to ensure the safety of informants and protect them from reprisals.</p>	

[Attachment 4]

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Tons Lightology Inc.

Opinion

We have audited the accompanying parent company only balance sheets of Tons Lightology Inc. (the "Company") as at December 31, 2020 and 2019, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2020 and 2019, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the parent company only financial statements section of our report. We are independent of TONS LIGHTOLOGY INC. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements of the current period are stated as follows:

Timing of recognising sales revenue

Description

Please refer to Note 4(26) for a description of accounting policy on sales revenue.

Please refer to Note 6(15) for details of sales revenue.

The Company is primarily engaged in manufacturing and trading lighting equipment and lamps and the transaction mode is the Company receives orders and transfers the

orders to the subsidiaries for manufacturing and delivery. Sales revenues are recognised when the control of goods are transferred upon loading on board for shipment in accordance with the contract terms and the risk being transferred. Considering that the revenue might not be recognised in the proper period as the timing of recognition mainly occurs when loading from subsidiaries and such sales revenue recognition process involves several manual controls. Thus, we identified the timing of sales revenue recognition as one of the key areas of focus for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding and evaluated the operating procedures and internal controls over sales revenue, and assessed the effectiveness on how the management controls the timing of recognising sales revenue.
- B. Performed sales cut-off test for a certain period before and after balance sheet date to assess the accuracy of the timing of sales revenues.

Inventory valuation

Description

The Company is primarily engaged in manufacturing and trading lighting equipment and lamps and the transaction mode is the Company receives orders and transfers the orders to the subsidiaries for manufacturing and delivering. Considering that the inventory valuation policy of the Company's subsidiary (presented as investments accounted for using the equity method) is measured at the lower of cost and net realisable value, which involves subjective judgement resulting in a high degree of estimation uncertainty, we thus identified inventory valuation of the subsidiary (presented as investments accounted for using the equity method) as one of the key areas of focus for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding of the Company's inventory policy and assessed the reasonableness of the policy.
- B. Reviewed annual inventory counting plan and observed the annual inventory counting event in order to assess the classification of obsolete inventory and effectiveness of inventory internal control.
- C. Obtained the Company inventory aging report and verified dates of movements with supporting documents. Ensured the proper categorisation of inventory aging report in accordance with the Company's policy.
- D. Obtained the net realisable value statement of each inventory, assessed whether the estimation policy was consistently applied, tested the estimation basis of the net realisable value with relevant information, including verifying the sales and purchase prices with supporting evidence, and recalculated and evaluated the reasonableness of the inventory valuation.

Responsibilities of management and those charged with governance for parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the Company’s financial reporting process.

Auditor’s’ responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- A. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TONS LIGHTOLOGY INC. internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on

TONS LIGHTOLOGY INC. ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

E. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within TONS LIGHTOLOGY INC. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hung, Shu-Hua
For and on behalf of PricewaterhouseCoopers, Taiwan
February 26, 2021

Liu, Mei-Lan

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors’ report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TONS LIGHTOLOGY INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

Current assets					
1100	Cash and cash equivalents	\$ 185,910	13	\$ 152,390	10
1136	Current financial assets at amortised cost	948	-	-	-
1150	Notes receivable, net	1,205	-	305	-
1170	Accounts receivable, net	121,662	8	138,339	9
1180	Accounts receivable - related parties	845	-	-	-
1200	Other receivables	467	-	2,835	-
130X	Inventories	11,464	1	6,950	1
1410	Prepayments	5,330	-	5,022	-
1470	Other current assets	180	-	150	-
11XX	Current Assets	<u>328,011</u>	<u>22</u>	<u>305,991</u>	<u>20</u>
Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income	53,906	4	128,394	9
1550	Investments accounted for under equity method	1,058,487	73	1,059,042	71
1600	Property, plant and equipment	656	-	641	-
1755	Right-of-use assets	11,774	1	1,997	-
1780	Intangible assets	4,337	-	1,681	-
1840	Deferred income tax assets	3,571	-	4,437	-
1990	Other non-current assets, others	2,447	-	2,219	-
15XX	Non-current assets	<u>1,135,178</u>	<u>78</u>	<u>1,198,411</u>	<u>80</u>
1XXX	Total assets	<u>\$ 1,463,189</u>	<u>100</u>	<u>\$ 1,504,402</u>	<u>100</u>

(Continued)

TONS LIGHTOLOGY INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		December 31, 2020		December 31, 2019	
		AMOUNT	%	AMOUNT	%
Current liabilities					
2150	Notes payable	\$ 25	-	\$ 45	-
2170	Accounts payable	9,764	1	1,682	-
2180	Accounts payable - related parties	230,527	16	275,659	18
2200	Other payables	26,792	2	28,864	2
2220	Other payables - related parties	1,035	-	24,746	2
2230	Current income tax liabilities	21,079	1	2,276	-
2280	Current lease liabilities	6,331	-	1,080	-
2300	Other current liabilities	15,642	1	6,416	1
21XX	Current Liabilities	<u>311,195</u>	<u>21</u>	<u>340,768</u>	<u>23</u>
Non-current liabilities					
2550	Provision for liabilities - non-current	249	-	345	-
2570	Deferred income tax liabilities	3,445	-	9,421	-
2580	Non-current lease liabilities	5,591	-	921	-
2600	Net defined benefit liability - non-current	8,477	1	10,765	1
25XX	Non-current liabilities	<u>17,762</u>	<u>1</u>	<u>21,452</u>	<u>1</u>
2XXX	Total Liabilities	<u>328,957</u>	<u>22</u>	<u>362,220</u>	<u>24</u>
Equity					
Share capital					
3110	Share capital - common stock	396,723	27	401,253	27
3140	Advance receipts for share capital	965	-	303	-
Capital surplus					
3200	Capital surplus	508,419	34	510,666	34
Retained earnings					
3310	Legal reserve	95,799	7	85,219	6
3320	Special reserve	54,323	4	38,429	2
3350	Unappropriated retained earnings	212,854	15	194,627	13
Other equity interest					
3400	Other equity interest	(72,115)	(5)	(54,323)	(4)
3500	Treasury shares	(62,736)	(4)	(33,992)	(2)
3XXX	Total equity	<u>1,134,232</u>	<u>78</u>	<u>1,142,182</u>	<u>76</u>
3X2X	Total liabilities and equity	<u>\$ 1,463,189</u>	<u>100</u>	<u>\$ 1,504,402</u>	<u>100</u>

TONS LIGHTOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

		Year ended December 31			
Items		2020		2019	
		AMOUNT	%	AMOUNT	%
4000	Sales revenue	\$ 728,124	100	\$ 954,958	100
5000	Operating costs	(587,541)	(81)	(797,401)	(83)
5900	Net operating margin	<u>140,583</u>	<u>19</u>	<u>157,557</u>	<u>17</u>
	Operating expenses				
6100	Selling expenses	(34,148)	(5)	(38,280)	(4)
6200	General & administrative expenses	(42,357)	(6)	(47,718)	(5)
6300	Research and development expenses	(4,680)	-	(5,931)	(1)
6000	Total operating expenses	<u>(81,185)</u>	<u>(11)</u>	<u>(91,929)</u>	<u>(10)</u>
6900	Operating profit	<u>59,398</u>	<u>8</u>	<u>65,628</u>	<u>7</u>
	Non-operating income and expenses				
7100	Interest income	1,920	-	2,864	-
7010	Other income	4,997	1	4,237	-
7020	Other gains and losses	14,148	2	7,927	1
7050	Finance costs	(372)	-	(89)	-
7070	Share of profit of associates and joint ventures accounted for using equity method, net	<u>18,544</u>	<u>3</u>	<u>46,764</u>	<u>5</u>
7000	Total non-operating income and expenses	<u>39,237</u>	<u>6</u>	<u>61,703</u>	<u>6</u>
7900	Profit before income tax	<u>98,635</u>	<u>14</u>	<u>127,331</u>	<u>13</u>
7950	Income tax expense	(19,581)	(3)	(21,643)	(2)
8200	Profit for the year	<u>\$ 79,054</u>	<u>11</u>	<u>\$ 105,688</u>	<u>11</u>
	Other comprehensive income				
	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Other comprehensive income, before tax, actuarial gains on defined benefit plans	\$ 279	-	\$ 153	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	28,194	4	(4,948)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(98)	-	(280)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss	<u>28,375</u>	<u>4</u>	<u>(5,075)</u>	<u>(1)</u>
	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Other comprehensive income (loss), before tax, exchange differences on translation	8,186	1	(33,014)	(3)
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss	<u>8,186</u>	<u>1</u>	<u>(33,014)</u>	<u>(3)</u>
8300	Other comprehensive income (loss) for the year	<u>\$ 36,561</u>	<u>5</u>	<u>(\$ 38,089)</u>	<u>(4)</u>
8500	Total comprehensive income for the year	<u>\$ 115,615</u>	<u>16</u>	<u>\$ 67,599</u>	<u>7</u>
	Basic earnings per share				
9750	Total basic earnings per share	<u>\$ 2.08</u>		<u>\$ 2.69</u>	
	Diluted earnings per share				
9850	Total diluted earnings per share	<u>\$ 2.05</u>		<u>\$ 2.65</u>	

TONS LIGHTOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

	Share capital		Capital Surplus		Retained Earnings			Other equity interest			Total equity
	Common stock	Advance receipts for share capital	Additional paid-in capital	Employee stock warrants	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares	
<u>2019</u>											
Balance at January 1, 2019	\$ 399,628	\$ -	\$ 501,714	\$ 4,111	\$ 74,663	\$ 38,429	\$ 191,466	(\$ 48,777)	\$ 32,666	\$ -	\$ 1,193,900
Profit	-	-	-	-	-	-	105,688	-	-	-	105,688
Other comprehensive income (loss)	-	-	-	-	-	-	123	(33,014)	(5,198)	-	(38,089)
Total comprehensive income	-	-	-	-	-	-	105,811	(33,014)	(5,198)	-	67,599
Appropriation and distribution of 2018											
Legal reserve	-	-	-	-	10,556	-	(10,556)	-	-	-	-
Cash dividends	-	-	-	-	-	-	(92,094)	-	-	-	(92,094)
Share-based payment transactions - employees	1,625	303	4,073	768	-	-	-	-	-	-	6,769
Treasury share transactions	-	-	-	-	-	-	-	-	-	(33,992)	(33,992)
Balance at December 31, 2019	\$ 401,253	\$ 303	\$ 505,787	\$ 4,879	\$ 85,219	\$ 38,429	\$ 194,627	(\$ 81,791)	\$ 27,468	(\$ 33,992)	\$ 1,142,182
<u>2020</u>											
Balance at January 1, 2020	\$ 401,253	\$ 303	\$ 505,787	\$ 4,879	\$ 85,219	\$ 38,429	\$ 194,627	(\$ 81,791)	\$ 27,468	(\$ 33,992)	\$ 1,142,182
Profit	-	-	-	-	-	-	79,054	-	-	-	79,054
Other comprehensive income	-	-	-	-	-	-	223	8,186	28,152	-	36,561
Total comprehensive income	-	-	-	-	-	-	79,277	8,186	28,152	-	115,615
Appropriations and distribution of 2019											
Legal reserve	-	-	-	-	10,580	-	(10,580)	-	-	-	-
Special reserve	-	-	-	-	-	15,894	(15,894)	-	-	-	-
Cash dividends	-	-	-	-	-	-	(84,395)	-	-	-	(84,395)
Share-based payment transactions - employees	1,470	662	4,958	369	-	-	-	-	-	-	7,459
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	54,130	-	(54,130)	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	(46,629)	(46,629)
Retirement of treasury shares	(6,000)	-	(7,574)	-	-	-	(4,311)	-	-	17,885	-
Balance at December 31, 2020	\$ 396,723	\$ 965	\$ 503,171	\$ 5,248	\$ 95,799	\$ 54,323	\$ 212,854	(\$ 73,605)	\$ 1,490	(\$ 62,736)	\$ 1,134,232

TONS LIGHTOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

	Year ended December 31	
	2020	2019
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before tax	\$ 98,635	\$ 127,331
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	423	2,967
Depreciation-right-of-use asset	6,532	7,238
Amortisation	2,075	2,320
Expected credit loss (gain)	1,500 (	633)
(Reversal of) provision for warranty expense	(96)	4
Interest expense - lease liability	372	89
Interest income	(1,920 ) (	2,864)
Dividend income	(850 ) (	3,719)
Wages and salaries-employee stock options	1,773	2,322
Share of loss of subsidiary, associates and joint ventures	(18,544 ) (	46,764)
Unrealised foreign exchange gain	(970 ) (	8,213)
Changes in operating assets and liabilities		
Changes in operating assets		
Notes receivable, net	(901)	1,095
Accounts receivable, net	15,156	7,523
Accounts receivable due from related parties	(845)	-
Other receivables	2,369 (	2,534)
Inventories	(4,523)	2,711
Prepayments	(313 ) (	1,033)
Other current assets	(30 ) (	53)
Changes in operating liabilities		
Notes payable	(19)	47
Accounts payable	8,082 (	133)
Accounts payable to related parties	(45,122)	56,754
Other payables	(2,003 ) (	344)
Other payables to related parties	(23,710)	5,049
Contract liabilities	9,316	258
Other current liabilities	(54)	171
Other non-current liabilities	(2,009 ) (	914)
Cash inflow generated from operations	44,324	148,675
Interest received	1,919	2,968
Dividend received	38,398	11,243
Interest paid	(372 ) (	89)
Income tax paid	(5,986 ) (	25,679)
Net cash flows from operating activities	<u>78,283</u>	<u>137,118</u>

(Continued)

TONS LIGHTOLOGY INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

	Year ended December 31	
	2020	2019
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of financial assets at fair value through profit or loss	\$ 102,682	\$ -
Increase in financial assets at amortised cost	(948)	-
Acquisition of investments accounted for using the equity	(10,000)	(70,000)
Acquisition of property, plant and equipment	(461)	(128)
Acquisition of intangible deposits	(4,731)	(502)
(Increase) decrease in refundable deposits	(242)	28,013
Net cash flows from (used in) investing activities	86,300	(42,617)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Decrease in guarantee deposits received	-	(120)
Repayment of principal portion of lease liabilities	(6,387)	(7,234)
Cash dividends paid	(84,395)	(92,094)
Exercise of employee stock options	5,686	4,447
Repurchase of treasury stock	(46,629)	(33,992)
Net cash flows used in financing activities	(131,725)	(128,993)
Effect of exchange rate changes on cash equivalents	662	8,168
Net increase (decrease) in cash and cash equivalents	33,520	(26,324)
Cash and cash equivalents at beginning of year	152,390	178,714
Cash and cash equivalents at end of year	\$ 185,910	\$ 152,390

To the Board of Directors and Shareholders of Tons Lightology Inc.

Opinion

We have audited the accompanying consolidated balance sheets of Tons Lightology Inc. and its subsidiaries (the "Group") as at December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2020 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2020 consolidated financial statements are stated as follows:

Timing of recognising sales revenue.

Description

Please refer to Note 4(29) for a description of accounting policy on sales revenue. Please refer to Note 6(18) for details of sales revenue.

The Group is primarily engaged in manufacturing and trading lighting equipment and lamps and the transaction mode is the parent company receives orders and transfers the orders to the subsidiaries for manufacturing and delivery. Sales revenues are recognised when the control of goods are transferred upon loading on board for shipping in

accordance with the contract terms and the risk being transferred. Considering that the revenue might not be recognised in the proper period as the timing of recognition mainly occurs when loading from subsidiaries and such sales revenue recognition process involves many manual controls, we identified the timing of sales revenue recognition as one of the key areas of focus for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding and evaluated the operating procedures and internal controls over sales revenue, and assessed the effectiveness on how the management controls the timing of recognising sales revenue.
- B. Performed sales cut-off test for a certain period before and after balance sheet date to assess the accuracy of the timing of sales revenues.

Inventory valuation

Description

Please refer to Note 4(13) for a description of accounting policy on inventory valuation. Please refer to Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation. Please refer to Note 6(5) for a description of inventory. As of December 31, 2020, the Group's inventory amounted to NT\$178,758 thousand and inventory valuation losses amounted to NT\$14,961 thousand.

The Group is primarily engaged in manufacturing and trading lighting equipment and lamps. Under the Group's inventory policy, inventory valuation is measured at the lower of cost and net realisable value, which involves subjective judgement resulting in a high degree of estimation uncertainty. Thus, we identified inventory valuation as one of the key areas of focus for this year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Obtained an understanding of the Group's inventory policy and assessed the reasonableness of the policy.
- B. Reviewed annual inventory counting plan and observed the annual inventory counting event in order to assess the classification of obsolete inventory and effectiveness of obsolete inventory internal control.
- C. Obtained the Group's inventory aging report and verified dates of movements with supporting documents. Ensured the proper categorisation of inventory aging report in accordance with the Group's policy.
- D. Obtained the net realisable value statement of each inventory, assessed whether the estimation policy was consistently applied, tested the estimation basis of the net realisable value with relevant information, including verifying the sales and purchase prices with supporting evidence, and recalculated and evaluated the reasonableness of the inventory valuation.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Tons Lightology Inc. as at and for the years ended December 31, 2020 and 2019.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hung, Shu-Hua

Liu, Mei Lan

For and on behalf of PricewaterhouseCoopers, Taiwan

February 26, 2021

The accompanying consolidated financial statements are not intended to present the financial position results of operations and cash flows in accordance with accounting principles generally accepted in count and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in count and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TONS LIGHTOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

Assets	December 31, 2020		December 31, 2019		
	AMOUNT	%	AMOUNT	%	
Current assets					
1100	Cash and cash equivalents	\$ 353,565	26	\$ 309,160	23
1110	Financial assets at fair value through profit or loss - current	104,166	8	125,461	9
1136	Current financial assets at amortised cost	179,361	13	66,193	5
1150	Notes receivable, net	1,205	-	305	-
1170	Accounts receivable, net	127,431	9	148,801	11
1180	Accounts receivable - related parties	518	-	187	-
1200	Other receivables	3,615	-	4,961	-
130X	Inventories	163,797	12	163,065	12
1410	Prepayments	16,170	1	18,304	1
1470	Other current assets	1,869	-	3,949	-
11XX	Current Assets	<u>951,697</u>	<u>69</u>	<u>840,386</u>	<u>61</u>
Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income	53,906	4	128,394	9
1550	Investments accounted for using equity method	37,413	3	56,877	4
1600	Property, plant and equipment	273,609	20	299,446	22
1755	Right-of-use assets	41,028	3	32,589	3
1780	Intangible assets	4,337	-	1,681	-
1840	Deferred income tax assets	3,571	-	4,437	-
1900	Other non-current assets	8,187	1	10,301	1
15XX	Non-current assets	<u>422,051</u>	<u>31</u>	<u>533,725</u>	<u>39</u>
1XXX	Total assets	<u>\$ 1,373,748</u>	<u>100</u>	<u>\$ 1,374,111</u>	<u>100</u>

(Continued)

TONS LIGHTOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		December 31, 2020		December 31, 2019	
		AMOUNT	%	AMOUNT	%
Current liabilities					
2120	Financial liabilities at fair value				
	through profit or loss - current	\$ -	-	\$ 318	-
2150	Notes payable	25	-	45	-
2170	Accounts payable	88,144	6	79,446	6
2180	Accounts payable - related parties	-	-	10,159	1
2200	Other payables	85,986	6	101,471	7
2230	Current income tax liabilities	22,200	2	7,662	-
2250	Provisions for liabilities - current	400	-	323	-
2280	Current lease liabilities	7,192	1	2,577	-
2300	Other current liabilities	17,741	1	8,086	1
21XX	Current Liabilities	<u>221,688</u>	<u>16</u>	<u>210,087</u>	<u>15</u>
Non-current liabilities					
2550	Provisions for liabilities - non-current	316	-	375	-
2570	Deferred income tax liabilities	3,445	-	9,421	1
2580	Non-current lease liabilities	5,591	-	1,280	-
2600	Other non-current liabilities	8,476	1	10,766	1
25XX	Non-current liabilities	<u>17,828</u>	<u>1</u>	<u>21,842</u>	<u>2</u>
2XXX	Total Liabilities	<u>239,516</u>	<u>17</u>	<u>231,929</u>	<u>17</u>
Equity attributable to owners of parent					
Share capital					
3110	Share capital - common stock	396,723	29	401,253	29
3140	Advance receipts for share capital	965	-	303	-
Capital surplus					
3200	Capital surplus	508,419	37	510,666	37
Retained earnings					
3310	Legal reserve	95,799	7	85,219	6
3320	Special reserve	54,323	4	38,429	3
3350	Unappropriated retained earnings	212,854	16	194,627	14
Other equity interest					
3400	Other equity interest	(72,115)	(5)	(54,323)	(4)
3500	Treasury shares	(62,736)	(5)	(33,992)	(2)
31XX	Equity attributable to owners of the parent	<u>1,134,232</u>	<u>83</u>	<u>1,142,182</u>	<u>83</u>
3XXX	Total equity	<u>1,134,232</u>	<u>83</u>	<u>1,142,182</u>	<u>83</u>
3X2X	Total liabilities and equity	<u>\$ 1,373,748</u>	<u>100</u>	<u>\$ 1,374,111</u>	<u>100</u>

TONS LIGHTOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2020 AND 2019

(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

		Year ended December 31			
Items		2020		2019	
		AMOUNT	%	AMOUNT	%
4000	Sales revenue	\$ 808,981	100	\$ 1,086,420	100
5000	Operating costs	(514,057)	(63)	(665,967)	(61)
5900	Net operating margin	<u>294,924</u>	<u>37</u>	<u>420,453</u>	<u>39</u>
Operating expenses					
6100	Selling expenses	(87,321)	(11)	(114,781)	(11)
6200	General and administrative expenses	(86,663)	(11)	(98,574)	(9)
6300	Research and development expenses	(34,187)	(4)	(42,269)	(4)
6000	Total operating expenses	<u>(208,171)</u>	<u>(26)</u>	<u>(255,624)</u>	<u>(24)</u>
6900	Operating profit	<u>86,753</u>	<u>11</u>	<u>164,829</u>	<u>15</u>
Non-operating income and expenses					
7100	Interest income	6,598	1	7,027	1
7010	Other income	10,697	1	11,220	1
7020	Other gains and losses	19,146	2	(18,953)	(2)
7050	Finance costs	(443)	-	(179)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	(19,464)	(2)	(13,123)	(1)
7000	Total non-operating income and expenses	<u>16,534</u>	<u>2</u>	<u>(14,008)</u>	<u>(1)</u>
7900	Profit before income tax	<u>103,287</u>	<u>13</u>	<u>150,821</u>	<u>14</u>
7950	Income tax expense	(24,233)	(3)	(45,133)	(4)
8200	Profit for the year	<u>\$ 79,054</u>	<u>10</u>	<u>\$ 105,688</u>	<u>10</u>
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	\$ 279	-	\$ 153	-
8316	Total expenses, by nature	28,194	3	(4,948)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(98)	-	(280)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss	<u>28,375</u>	<u>3</u>	<u>(5,075)</u>	<u>(1)</u>
Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	8,186	1	(33,014)	(3)
8360	Components of other comprehensive income that will be reclassified to profit or loss	<u>8,186</u>	<u>1</u>	<u>(33,014)</u>	<u>(3)</u>
8300	Total other comprehensive income (loss) for the year	<u>\$ 36,561</u>	<u>4</u>	<u>(\$ 38,089)</u>	<u>(4)</u>
8500	Total comprehensive income for the year	<u>\$ 115,615</u>	<u>14</u>	<u>\$ 67,599</u>	<u>6</u>
Basic earnings per share					
9750	Total basic earnings per share	<u>\$ 2.08</u>		<u>\$ 2.69</u>	
Diluted earnings per share					
9850	Total diluted earnings per share	<u>\$ 2.05</u>		<u>\$ 2.65</u>	

TONS LIGHTOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Equity attributable to owners of the parent										
	Capital	Capital surplus			Retained earnings			Other equity interest			
	Common stock	Advance receipts for share capital	Additional paid-in capital	Employee stock warrants	Legal reserve	Special reserve	Total unappropriated retained earnings (accumulated deficit)	Financial statements translation differences of foreign operations	Total Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares	Total equity
<u>2019</u>											
Balance at January 1, 2019	\$ 399,628	\$ -	\$ 501,714	\$ 4,111	\$ 74,663	\$ 38,429	\$ 191,466	(\$ 48,777)	\$ 32,666	\$ -	\$ 1,193,900
Consolidated comprehensive income for the year	-	-	-	-	-	-	105,688	-	-	-	105,688
Other comprehensive income (loss) for the year	-	-	-	-	-	-	123	(33,014)	(5,198)	-	(38,089)
Total comprehensive income (loss) for the year	-	-	-	-	-	-	105,811	(33,014)	(5,198)	-	67,599
Appropriation and distribution of 2018 retained earnings											
Legal reserve	-	-	-	-	10,556	-	(10,556)	-	-	-	-
Cash dividends	-	-	-	-	-	-	(92,094)	-	-	-	(92,094)
Share-based payment transaction - employee stock options	1,625	303	4,073	768	-	-	-	-	-	-	6,769
Treasury share transactions	-	-	-	-	-	-	-	-	-	(33,992)	(33,992)
Balance at December 31, 2019	<u>\$ 401,253</u>	<u>\$ 303</u>	<u>\$ 505,787</u>	<u>\$ 4,879</u>	<u>\$ 85,219</u>	<u>\$ 38,429</u>	<u>\$ 194,627</u>	<u>(\$ 81,791)</u>	<u>\$ 27,468</u>	<u>(\$ 33,992)</u>	<u>\$ 1,142,182</u>
<u>2020</u>											
Balance at January 1, 2020	\$ 401,253	\$ 303	\$ 505,787	\$ 4,879	\$ 85,219	\$ 38,429	\$ 194,627	(\$ 81,791)	\$ 27,468	(\$ 33,992)	\$ 1,142,182
Consolidated comprehensive income for the year	-	-	-	-	-	-	79,054	-	-	-	79,054
Other comprehensive income for the year	-	-	-	-	-	-	223	8,186	28,152	-	36,561
Total comprehensive income for the year	-	-	-	-	-	-	79,277	8,186	28,152	-	115,615
Appropriations and distribution of 2019 retained earnings											
Legal reserve	-	-	-	-	10,580	-	(10,580)	-	-	-	-
Special reserve	-	-	-	-	-	15,894	(15,894)	-	-	-	-
Cash dividends	-	-	-	-	-	-	(84,395)	-	-	-	(84,395)
Share-based payment transaction - employee stock options	1,470	662	4,958	369	-	-	-	-	-	-	7,459
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	54,130	-	(54,130)	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	(46,629)	(46,629)
Retirement of treasury shares	(6,000)	-	(7,574)	-	-	-	(4,311)	-	-	17,885	-
Balance at December 31, 2020	<u>\$ 396,723</u>	<u>\$ 965</u>	<u>\$ 503,171</u>	<u>\$ 5,248</u>	<u>\$ 95,799</u>	<u>\$ 54,323</u>	<u>\$ 212,854</u>	<u>(\$ 73,605)</u>	<u>\$ 1,490</u>	<u>(\$ 62,736)</u>	<u>\$ 1,134,232</u>

TONS LIGHTOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

	Years ended December 31,	
	2020	2019
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before tax	\$ 103,287	\$ 150,821
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation	48,615	49,658
Depreciation-right-of-use asset	9,181	10,049
Amortisation	2,075	2,390
Expected credit loss (gain)	1,452 (	891)
Net (gain) loss on financial assets and liabilities at fair value through profit or loss	(13,817)	28,777
Interest expense - lease liability	443	179
Interest income	(6,598 ) (	7,027)
Dividend income	(2,690 ) (	7,861)
Wages and salaries-employee stock options	1,773	2,322
Share of loss of associates and joint ventures accounted for using the equity method	19,464	13,123
(Gain) loss on disposal of property, plant and equipment	(133)	786
Unrealized foreign exchange loss (gain)	1,254 (	7,533)
Reversal of warranty expense	(60 ) (	772)
Changes in operating assets and liabilities		
Changes in operating assets		
Notes receivable, net	(901)	1,095
Accounts receivable, net	19,965	9,365
Accounts receivable due from related parties	(331 ) (	194)
Other receivables	2,552 (	2,970)
Inventories	1,761	840
Prepayments	2,293	3,499
Other current assets	2,097 (	248)
Changes in operating liabilities		
Notes payable	(19)	45
Accounts payable	7,409 (	14,724)
Accounts payable to related parties	(10,104 ) (	6,605)
Other payables	(13,500 ) (	6,785)
Contract liabilities	9,762 (	4,145)
Other current liabilities	(36)	181
Other non-current liabilities	(2,010)	(914)
Cash inflow generated from operations	183,184	212,461
Interest received	5,446	6,948
Dividend received	2,690	7,861
Interest paid	(443 ) (	179)
Income tax paid	(14,878)	(50,264)
Net cash flows from operating activities	175,999	176,827

(Continued)

TONS LIGHTOLOGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

	Years ended December 31,	
	2020	2019
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of financial assets at fair value through profit or loss	(\$ 11,730)	(\$ 3,525)
Proceeds from disposal of financial assets at fair value through profit or loss	44,787	-
Increase in financial assets at amortised cost	(115,027)	(18,456)
Proceeds from disposal of financial assets at fair value through other comprehensive income	102,682	-
Acquisition of investments accounted for using the equity method	-	(70,000)
Acquisition of property, plant and equipment	(15,518)	(24,311)
Proceeds from disposal of property, plant and equipment	210	458
Decrease in refundable deposits	(146)	29,330
Acquisition of intangible deposits	(4,731)	(503)
Increase in other non-current assets	(1,718)	(7,076)
Net cash flows used in investing activities	(1,191)	(94,083)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Decrease in guarantee deposits received	-	(118)
Repayment of principal portion of lease liabilities	(8,231)	(9,379)
Cash dividends paid	(84,395)	(92,094)
Exercise of employee stock options	5,686	4,447
Repurchase of treasury stock	(46,629)	(33,992)
Net cash flows used in financing activities	(133,569)	(131,136)
Effect of exchange rate changes on cash equivalents	3,166	(9,346)
Net increase (decrease) in cash and cash equivalents	44,405	(57,738)
Cash and cash equivalents at beginning of year	309,160	366,898
Cash and cash equivalents at end of year	\$ 353,565	\$ 309,160

[Attachment 5]

Tons Lightology Inc.
Profit Distribution Table
Year 2020

Unit: NT\$

Net income – 2020	\$79,054,185
Add: Retained earnings adjusted amount - 2020	50,042,724
Less: 10% legal reserve	(12,909,691)
Less: special reserve	(17,792,241)
Distributable amount - 2020	\$98,394,977
Add: Unappropriated earnings - beginning	83,757,873
Accumulated distributable amount - 2020	\$182,152,850
Distributions:	
Shareholder dividend - Cash	91,107,728
Unappropriated earnings - ending	\$ 91,045,122
Remark: Cash dividend: NT\$2.40 per share	

Note 1: The Retained earnings adjusted amount – 2020, NT\$50,042,724, comprises gains on disposal of non-current financial assets at fair value through other comprehensive income, NT\$54,129,702, remeasurement of defined benefit plans, NT\$223,547, and effects of cancellation of treasury shares, NT\$(4,310,525).

Note 2: The Company set aside special reserve of NT\$17,792,241 according to the Order No. 1010012865 issued by the Securities and Futures Bureau, Financial Supervisory Commission on April 6, 2012, which stipulates that special reserve shall be set aside for the difference between the amount of special reserve set aside and the net equity deductions at the first-time adoption of IFRSs.

Note 3: On February 26, 2021, the Board of Directors resolved to distribute cash dividends at NT\$2.40 per share.

Note 4: The cash dividend per share was calculated in accordance with the outstanding 37,961,553 shares on February 26, 2021.

Chairman : TANG, SHIH-CHUAN

CEO : HUNG, CHIA-CHENG

CFO : WANG, CHIH-YUAN

**湯石照明科技股份有限公司
股東會議事規範修訂條文對照表**

Tons Lightology Inc.

Rules of Procedure for Shareholder Meetings Amendment before and after

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>第一條 Article 1</p> <p>本公司股東會之議事規範，除法令或章程另有規定者外，應依本規範之規定。</p> <p>The Rules of Procedure for Shareholder Meetings, except as otherwise provided by law, regulation, <u>or the Articles of Incorporation</u>, shall be as provided in these Rules.</p>	<p>第一條 Article 1</p> <p>本公司股東會開會議事，除法令另有規定外，應依本規範行之。</p> <p>The shareholders' meeting of the Company is to be convened in accordance with the "Rules of Procedure for Shareholders' Meeting" unless otherwise provided by law.</p>	<p>增加章程之規定</p> <p>Add the Articles of Incorporation.</p>
<p>第二條 Article 2</p> <p><u>本公司股東會除法令另有規定外，由董事會召集之。</u></p> <p><u>Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.</u></p> <p><u>本公司應於股東常會開會三十日前或股東臨時會開會十五日前，將股東會開會通知書、委託書用紙、有關承認案、討論案、選任或解任董事事項等各項議案之案由及說明資料製作成電子檔案傳送至公開資訊觀測站。並於股東常會開會二十一日前或股東臨時會開會十五日前，將股東會議事手冊及會議補充資料，製作電子檔案傳送至公開資訊觀測站。股東會開會十五日前，備妥當次股東會議事手冊及會議補充資料，供股東隨時索閱，並陳列於本公司及本公司所委任之專業股務代理機構，且應於股東會現場發放。</u></p> <p><u>The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the</u></p>	<p>新增條文。</p> <p>Added.</p>	<p>增列股東會前通知作業</p> <p>Add the regulations regarding meeting notices before shareholders' meetings.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. In addition, before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.</u></p> <p><u>通知及公告應載明召集事由；其通知經相對人同意者，得以電子方式為之。</u></p> <p><u>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in the electronic form.</u></p> <p><u>選任或解任董事、變更章程、減資、申請停止公開發行、董事競業許可、盈餘轉增資、公積轉增資、公司解散、合併、分割或公司法第一</u></p>		

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>百八十五條第一項各款之事項、證券交易法第二十六條之一、第四十三條之六、發行人募集與發行有價證券處理準則第五十六條之一及第六十條之二之事項，應在召集事由中列舉並說明其主要內容，不得以臨時動議提出；其主要內容得置於證券主管機關或公司指定之網站，並應將其網址載明於開會通知書。</u></p> <p><u>Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matters under Paragraph 1, Article 185 and Article 43-6 of the Company Act or under Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice.</u></p> <p><u>股東會召集事由已載明全面改選董事，並載明就任日期，該次股東會改選完成後，同次會議不得再以臨時動議或其他方式變更其就任日期。</u></p> <p><u>Where the re-election of all directors, as well as their inauguration date, is</u></p>		

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.</u></p> <p><u>持有已發行股份總數百分之一以上股份之股東，得向本公司提出股東常會議案，以一項為限，提案超過一項者，均不列入議案。另股東所提議案有公司法第 172 條之 1 第 4 項各款情形之一，董事會得不列為議案。股東得提出為敦促公司增進公共利益或善盡社會責任之建議性提案，程序上應依公司法第 172 條之 1 之相關規定以 1 項為限，提案超過 1 項者，均不列入議案。</u></p> <p><u>A shareholder holding one percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a regular shareholders' meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda, provided a shareholder proposal for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the agenda by the Board of Directors. In addition, when the circumstances of any subparagraph of Paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.</u></p> <p><u>公司應於股東常會召開前之停止股票過戶日前，公告受理股東之提案、書面或電子受理方式、受理處所及受理期間；其受理期間不得少於十日。</u></p> <p><u>Prior to the book closure date before a</u></p>		

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>regular shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</u></p> <p><u>股東所提議案以三百字為限，超過三百字者，該提案不予列入議案；提案股東應親自或委託他人出席股東常會，並參與該項議案討論。</u></p> <p><u>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in the discussion of the proposal.</u></p> <p><u>公司應於股東會召集通知日前，將處理結果通知提案股東，並將合於本條規定之議案列於開會通知。對於未列入議案之股東提案，董事會應於股東會說明未列入之理由。</u></p> <p><u>Prior to the date for issuance of a notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting, the Board of Directors shall explain the reasons for the exclusion of any shareholder proposals not included in the agenda.</u></p>		
<p>第三條 Article 3</p> <p><u>股東得於每次股東會，出具本公司印發之委託書，載明授權範圍，委託代理人，出席股東會。</u></p> <p><u>For each shareholders' meeting, a shareholder may appoint a proxy to</u></p>	<p>新增條文。 Added.</p>	<p>增列委託書事項 Add the regulations regarding the proxy form.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.</u></p> <p><u>一股東以出具一委託書，並以委託一人為限，應於股東會開會五日前送達本公司，委託書有重複時，以最先送達者為準。但聲明撤銷前委託者，不在此限。</u></p> <p><u>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</u></p> <p><u>委託書送達本公司後，股東欲親自出席股東會或欲以書面或電子方式行使表決權者，應於股東會開會二日前，以書面向本公司為撤銷委託之通知；逾期撤銷者，以委託代理人出席行使之表決權為準。</u></p> <p><u>After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>		
<p>第四條 Article 4</p> <p>股東會召開之地點，應於本公司所在地或便利股東出席且適合股東會召開之地點為之，會議開始時間不得早於上午九時或晚於下午三時，<u>召開之地點及時間，應充分考量獨</u></p>	<p>第三條 Article 3</p> <p>股東會召開之地點，應於<u>總</u>公司所在<u>縣市</u>或便利股東出席且適合股東會召開之地點，會議開始時間一不得早於上午九時或晚於下午三時。 <u>The place of the shareholders'</u></p>	<p>增加考量獨立董事之意及修改條次 Add the regulations regarding the consideration of</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>立董事之意見。</u> <u>The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</u></p>	<p><u>meeting should be in the county/city where the Company located or where it is convenient to the shareholders for attendance; also, where is suitable for holding a meeting. The shareholders' meeting should not be held before 9:00am or after 3:00pm.</u></p>	<p>independent directors' opinions and revise the article number.</p>
<p>第五條 Article 5 <u>本公司應於開會通知書載明受理股東報到時間、報到處地點，及其他應注意事項。</u> <u>The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</u> <u>前項受理股東報到時間至少應於會議開始前三十分鐘辦理之；報到處應有明確標示，並派適足適任人員辦理之。</u> <u>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be marked and a sufficient number of suitable personnel assigned to handle the registrations.</u> <u>股東本人或股東所委託之代理人（以下稱股東）應憑出席證、出席簽到卡或其他出席證件出席股東會，本公司對股東出席所憑依之證明文件不得任意增列要求提供其他證明文件；屬徵求委託書之徵求人並應攜帶身分證明文件，以備核對。</u> <u>Shareholders and their proxies (collectively, "shareholders") shall</u></p>	<p>新增條文。 Added.</p>	<p>增列股東會開會前之作業 Add the regulations regarding the preparations before shareholders' meetings.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</u></p> <p><u>本公司應設簽名簿供出席股東簽到，或由出席股東繳交簽到卡以代簽到。</u></p> <p><u>The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</u></p> <p><u>本公司應將議事手冊、年報、出席證、發言條、表決票及其他會議資料，交付予出席股東會之股東；有選舉董事者，應另附選舉票。</u></p> <p><u>The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</u></p> <p><u>政府或法人為股東時，出席股東會之代表人不限於一人。法人受託出席股東會時，僅得指派一人代表出席。</u></p> <p><u>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.</u></p>		
<p><u>第六條</u> Article <u>6</u></p> <p>股東會如由董事會召集者，其主席由董事長擔任之，董事長請假或因</p>	<p><u>第二條</u> Article <u>2</u></p> <p>股東會由董事會召集者，主席由董事長擔任，董事長請假或因故不能</p>	<p>增加常務董事之代理主席作業及修改條次 Add the</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>故不能行使職權時，由副董事長代理之，無副董事長或副董事長亦請假或因故不能行使職權時，由董事長指定<u>常務董事一人代理之；其未設常務董事者，指定</u>董事一人代理之，董事長未指定代理人者，由<u>常務董事或</u>董事互推一人代理之。</p> <p>If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the Board. When the chairperson of the Board is on leave or for any reason unable to exercise the powers of the chairperson, the vice-chairperson shall act in place of the chairperson; if there is no vice-chairperson or the vice-chairperson also is on leave or for any reason unable to exercise the powers of the vice-chairperson, the chairperson shall appoint <u>one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair.</u> Where the chairperson does not make such a designation, <u>the managing directors</u> or the directors shall select from among themselves one person to serve as chair.</p> <p><u>前項主席係由常務董事或董事代理者，以任職六個月以上，並瞭解公司財務業務狀況之常務董事或董事擔任之。主席如為法人董事之代表人者，亦同。</u></p> <p><u>When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.</u></p> <p><u>董事會所召集之股東會，董事長宜</u></p>	<p>行使職權時，由副董事長代理之，無副董事長或副董事長亦請假或因故不能行使職權時，由董事長指定董事一人代理，董事長未指定代理人時，由董事互推一人代理之。</p> <p>The shareholders' meeting is to be convened by the Board of Directors and the Chairman is to preside the meeting. If the chairman is on leave or cannot perform duty for reasons, the Vice Chairman is to preside the meeting. If there is not a Vice Chairman appointed or the Vice Chairman is also on leave or cannot perform duty for reasons, the Chairman is to appoint his/her representative to preside the meeting. If the Chairman failed to have his/her representative appointed, the representative is to be elected among the Board directors.</p>	<p>regulations regarding the acting chair of a managing director and revise the article number.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>親自主持，且宜有董事會過半數之董事親自出席，及各類功能性委員會成員至少一人代表出席，並將出席情形記載於股東會議事錄。</u></p> <p><u>It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the chairperson of the Board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.</u></p> <p>股東會如由董事會以外之其他召集權人召集者，主席由該召集權人擔任之，召集權人有二人以上時，應互推一人擔任之。</p> <p>If a shareholders' meeting is convened by a party with the power to convene but other than the Board of Directors, the convening party shall chair the meeting. <u>When there are two or more such convening parties, they shall mutually select a chair from among themselves.</u></p> <p>本公司得指派所委任之律師、會計師或相關人員列席股東會。</p> <p>The Company may assign the commissioned attorney, CPA, or the responsible personnel to attend the shareholders' meeting.</p>	<p>股東會如由董事會以外之其他召集權人召集者，主席由該有召集權人擔任。</p> <p>If the shareholders' meeting is convened by a convener other than the Board of Directors, such convener shall preside the meeting.</p> <p>本公司得指派所委任之律師、會計師或相關人員列席股東會。</p> <p>The Company may assign the commissioned attorney, CPA, or the responsible personnel to attend the shareholders' meeting.</p>	
<p><u>第七條</u> Article <u>7</u></p> <p>本公司應於<u>受理股東報到時起</u>將股東報到過程、會議進行過程、投票計票過程全程<u>連續不間斷</u>錄音及錄影。</p> <p>The Company, beginning <u>from the time it accepts shareholder attendance registrations</u>, shall make an <u>uninterrupted</u> audio and video recording of <u>the registration procedure, the proceedings of the shareholders' meeting, and the voting</u></p>	<p><u>第十五條</u> Article <u>15</u></p> <p>本公司應將股東會之開會過程全程錄音或錄影，並至少保存一年。但經股東依公司法第一百八十九條提起訴訟者，應保存至訴訟終結為止。</p> <p>The Company shall have the entire process of the shareholders' meeting recorded in audio or video form and reserved for at least one year. However, the audio or video recording of the meeting may be reserved for a longer period of time</p>	<p>定義錄音錄影之時間及修改條次</p> <p>Define the recording time and revise the article number.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>and vote-counting procedures.</u> 前項影音資料應至少保存一年。但經股東依公司法第一百八十九條提起訴訟者，應保存至訴訟終結為止。 <u>The recorded materials of the preceding paragraph</u> shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p>	<p>until the end of the proceeding when a lawsuit is filed by shareholders in accordance with Article 189 of the Company Law.</p>	
<p><u>第八條</u> Article 8</p> <p>股東會之出席，應以股份為計算基準。出席股數依簽名簿或繳交之簽到卡，加計以書面或電子方式行使表決權之股數計算之。 Attendance at shareholders' meetings shall be calculated based on the numbers of shares. <u>The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</u></p> <p>已屆開會時間，主席應即宣布開會，惟未有代表已發行股份總數過半數之股東出席時，主席得宣布延後開會，其延後次數以二次為限，延後時間合計不得超過一小時。<u>延後二次仍不足有代表已發行股份總數三分之一以上股東出席時，由主</u></p>	<p><u>第四條</u> Article 4</p> <p>股東會之出席，應以股份為計算基準。出席股東或其代理人應繳交出席證以代簽到，其股權數依繳交之出席證計算。如本公司採股東得以書面或電子方式行使表決權制度時，出席股數應加計依規定以書面或電子方式行使表決權之股數。 Shareholder's attending the shareholders' meeting should base on the calculation of shareholding. <u>The attending shareholders or their representatives shall produce the attendance card as their sign in; also, the shareholding is calculated in accordance with the attendance cards submitted. If the Company allows shareholders to exercise their voting rights in writing or by electronic system, the shareholding of the attending shareholders should include the shares with voting rights that are exercised in writing or by electronic system.</u></p> <p><u>第五條</u> Article 5</p> <p>已屆開會時間，主席應即宣布開會，惟未有代表已發行股份總數過半數股東出席時，主席得宣布延後開會，其延後次數以二次為限，延後時間合計不得超過一小時。 The Chairman shall declare the meeting in session when it is meeting</p>	<p>修改出席股數之描述及修改條次 Revise the description of the number of shares in attendance and revise the article number.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>席宣布流會。</u></p> <p>The Chairman shall declare the meeting in session when it is meeting time. However, if the attending shareholders have less than majority shareholding, the Chairman may declare to have the meeting postponed, but it is limited to two postpones and for less than one hour together. <u>If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chairman shall declare the meeting adjourned.</u></p> <p><u>前項</u>延後二次仍不足額而有代表已發行股份總數三分之一以上股東出席時，得依公司法第一百七十五條第一項規定為假決議，<u>並將假決議通知各股東於一個月內再行召集股東會。</u></p> <p>If the quorum is not met after two postponements as referred to <u>in the preceding paragraph</u>, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1, Article 175 of the Company Act; <u>all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month.</u></p> <p>於當次會議未結束前，如出席股東所代表股數達已發行股份總數過半數時，主席得將作成之假決議，依公司法第一百七十四條規定重新提請<u>股東</u>會表決。</p> <p>If the attending shareholders had a majority of the shareholding before the end of the shareholders' meeting, the Chairman may have the pseudo-resolution presented in the meeting for resolution again in accordance with Article 174 of the</p>	<p>time. However, if the attending shareholders have less than majority shareholding, the Chairman may declare to have the meeting postponed, but it is limited to two postpones and for less than one hour together.</p> <p>延長二次仍不足額而有代表已發行股份總數三分之一以上股東出席時，得依公司法第一百七十五條第一項之規定為假決議。</p> <p>If the attending shareholders remain without the mandatory shareholding ratio after two postpones of meeting; however, the attending shareholders have more than one third of the outstanding shares, a pseudo-resolution can be reached in the meeting in accordance with Article 175 Paragraph 1 of the Company Law.</p> <p>於當次會議未結束前，如出席股東代表股份數達已發行股份總數過半數時，主席得將作成之假決議，依公司法第一百七十四條規定重新提請<u>大</u>會表決。</p> <p>If the attending shareholders had a majority of the shareholding before the end of the shareholders' meeting, the Chairman may have the pseudo-resolution presented in the meeting for resolution again in accordance with Article 174 of the Company Law.</p>	

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
Company Law.		
<p>第九條 Article 9</p> <p>股東會如由董事會召集者，其議程由董事會訂定之，<u>相關議案（包括臨時動議及原議案修正）均應採逐案票決，會議應依排定之議程進行，非經股東會決議不得變更之。</u> If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. <u>Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda).</u> The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.</p> <p>股東會如由董事會以外之其他有召集權人召集者，準用前項之規定。 The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.</p> <p>前二項排定之議程於議事（含臨時動議）未終結前，非經決議，主席不得逕行宣布散會；<u>主席違反議事規則，宣布散會者，董事會其他成員應迅速協助出席股東依法定程序，以出席股東表決權過半數之同意推選一人擔任主席，繼續開會。</u> The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. <u>If the chair declares the meeting adjourned in violation of the rules of procedure,</u></p>	<p>第六條 Article 6</p> <p>股東會由董事會召集者，其議程由董事會訂定，<u>開會時</u>應依排定之議程進行，非經股東會決議不得變更。 If the shareholders' meeting was convened by the Board of Directors, the agenda is to be set by the Board of Directors. The meeting is to be carried out according to the schedule of the meeting agenda and it cannot be changed without a resolution reached in the shareholders' meeting.</p> <p>股東會由董事會以外之有召集權人召集者，準用前項規定。 If the shareholders' meeting was convened by the convener other than the Board of Directors, it is to be processed mutatis mutandis to the provisions of the preceding paragraph.</p> <p>前二項排定之議程於議事（含臨時動議）未終結前，非經決議，主席不得逕行宣布散會。 If the proposals (including motions) scheduled in the agenda as stated in the last two paragraphs had not been concluded, the Chairman may not have the meeting adjourned without a resolution reached in the meeting.</p>	<p>增列主席違反議事規則之因應流程及修改條次 Add the process in response to the violation of the rules of procedure and revise the article number.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.</u></p> <p>主席對於議案及股東所提之修正案或臨時動議，應給予充分說明及討論之機會，認為已達可付表決之程度時，得宣布停止討論，提付表決，並安排適足之投票時間。</p> <p>The chair shall allow <u>ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders</u>; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, <u>and schedule sufficient time for voting.</u></p>	<p><u>第十條</u> Article 10</p> <p>主席對於議案之討論，認為已達可付表決之程度時，得宣布停止討論，提付表決。</p> <p>If the Chairman determined that the proposal in discussion was ready for voting, the Chairman may announce to have the discussion ceased and the voting initiated.</p>	
<p><u>第十條</u> Article 10</p> <p>出席股東發言前，須先填具發言條載明發言要旨、股東戶號（或出席證編號）及戶名，由主席定其發言順序。</p> <p>Shareholders must first fill out the speech slip with the gist of the statement, shareholder account number (or attendance card number), and account name stated before speaking in the meeting; also, the Chairman is to prioritize the speakers.</p> <p><u>出席</u>股東僅提發言條而未發言者，視為未發言。發言內容與發言條記載不符者，以發言內容為準。</p> <p>Shareholders who had submitted the speech slip but did not speak in the meeting shall be deemed as choosing not to speak. If the spoken speech is different from the contents of the</p>	<p><u>第七條</u> Article 7</p> <p>出席股東發言前，須先填具發言條載明發言要旨、股東戶號（或出席證號碼）及戶名，由主席定其發言之先後。</p> <p>Shareholders must first fill out the speech slip with the gist of the statement, shareholder account number (or attendance card number), and account name stated before speaking in the meeting; also, the Chairman is to prioritize the speakers.</p> <p>股東僅提發言條而未發言者，視為未發言。發言內容與發言條記載不符者，以<u>經確認之</u>發言內容為準。</p> <p>Shareholders who had submitted the speech slip but did not speak in the meeting shall be deemed as choosing not to speak. If the spoken speech is different from the contents of the</p>	<p>調整條文用語及修改條次</p> <p>Revise wording and the article number.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>speech slip, the speech shall prevail.</p> <p>同一議案每一股東發言，非經主席之同意不得超過兩次，每次不得超過五分鐘，<u>惟股東發言違反規定或超出議題範圍者，主席得制止其發言。</u></p> <p>Shareholder may not speak twice on the same proposal without the consent of the Chairman; also, each speaker may not speak for more than five minutes each time. <u>The Chairman may have the speakers who have violated the provisions, or speaking beyond the scope of the proposal stopped.</u></p> <p><u>出席</u>股東發言時，其他股東除經徵得主席及發言股東同意外，不得發言干擾，違反者主席應予制止。</p> <p>Shareholders who are speaking shall not be interrupted by any other shareholders without the consent of the Chairman and the Chairman is obliged to have the interfering shareholders stopped.</p> <p>法人股東指派二人以上之代表出席股東會時，同一議案僅得推由一人發言。</p> <p>If the institutional shareholder has appointed two or more natural persons to attend the meeting, only one of the natural persons can speak on the same proposal in the meeting.</p>	<p>speech slip, the <u>confirmed</u> speech shall prevail.</p> <p><u>第八條</u> <u>Article 8</u></p> <p>同一議案每一股東發言，非經主席之同意不得超過兩次，每次不得超過五分鐘。</p> <p>Shareholder may not speak twice on the same proposal without the consent of the Chairman; also, each speaker may not speak for more than five minutes each time.</p> <p>股東發言時，其他股東除經徵得主席及發言股東同意外，不得發言干擾，違反者主席得予以制止。</p> <p>Shareholders who are speaking shall not be interrupted by any other shareholders without the consent of the Chairman and the Chairman is obliged to have the interfering shareholders stopped.</p> <p><u>出席股東發言違反前項規定或超出議題範圍，或有失會議秩序時，主席得制止其發言。</u></p> <p><u>The Chairman may have the speakers who have violated the provisions in the preceding paragraph, or speaking beyond the scope of the proposal, or violating the meeting order stopped.</u></p> <p><u>第九條</u> <u>Article 9</u></p> <p><u>法人受託出席股東會時，該法人僅得指派一人代表出席。</u>法人股東指派二人以上代表人出席股東會時，<u>對於</u>同一議案，<u>僅得推由一人發言。</u></p> <p><u>The institutional shareholder may attend the shareholders' meeting by proxy with only one natural person</u></p>	

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>出席股東發言後，主席得親自或指定相關人員答覆。</p> <p>The Chairman may respond to or appoint the responsible personnel to respond to the speech given by the shareholders.</p>	<p>appointed to attend the meeting. If the institutional shareholder has appointed two or more natural persons to attend the meeting, only one of the natural persons can speak on the same proposal in the meeting.</p> <p>出席股東發言後，主席得親自或指定相關人員答覆。</p> <p>The Chairman may respond to or appoint the responsible personnel to respond to the speech given by the shareholders.</p>	
<p>第十一條 Article 11</p> <p>股東會之表決，應以股份為計算基準。</p> <p>The voting held in the shareholders' meeting is based on the share count.</p> <p>股東會之決議，對無表決權股東之股份數，不算入已發行股份之總數。</p> <p>For the resolution reached in the shareholders' meeting, the number of shares of the shareholders without voting right will not be included in the total number of shares issued.</p> <p><u>股東對於會議之事項，有自身利害關係致有害於本公司利益之虞時，不得加入表決，並不得代理他股東行使其表決權。</u></p> <p><u>When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as a proxy for any other shareholder.</u></p> <p><u>前項不得行使表決權之股份數，不算入已出席股東之表決權數。</u></p> <p><u>The number of shares for which voting rights may not be exercised under the preceding paragraph shall</u></p>	<p>第十一條 Article 11</p> <p>股東會之表決，應以股份為計算基準，股東每股有一表決權。</p> <p>The voting held in the shareholders' meeting is based on the share count.</p> <p>Shareholders are entitled to one voting right per share.</p> <p>股東會之決議，對無表決權股東之股份數，不算入已發行股份之總數。</p> <p>For the resolution reached in the shareholders' meeting, the number of shares of the shareholders without voting right will not be included in the total number of shares issued.</p>	<p>增列股東有自身利害關係致有害公司利益之虞時之表決權處理</p> <p>Add the regulations governing the vote of shareholders who are likely to conflict with the interest of the Company.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>not be calculated as part of the voting rights represented by attending shareholders.</u></p> <p>除信託事業或經證券主管機關核准之股務代理機構外，一人同時受二人以上股東委託時，其代理之表決權不得超過已發行股份總數表決權之百分之三，<u>超過時其超過之表決權，不予計算。</u></p> <p>Except for the trust business or the stock affair agent authorized by securities competent authorities, when one person is commissioned by more than two shareholders, the voting rights by proxies may not exceed 3% voting rights of the total outstanding shares. When the voting rights by proxies exceed 3% voting rights of the total outstanding shares, the voting rights exceeding the threshold will not be included for calculation.</p>	<p>股東可委託代理人出席股東會。除信託事業或經證券主管機關核准之股務代理機構外，一人同時受二人(含)以上股東委託時，其代理之表決權不得超過已發行股份總數表決權百分之三；超過時，其超過之表決權不予計算。</p> <p>Shareholders may have had their representatives attending the shareholders' meeting on their behalf by proxies. Except for the trust business or the stock affair agent authorized by securities competent authorities, when one person is commissioned by more than two <u>(inclusive)</u> shareholders, the voting rights by proxies may not exceed 3% voting rights of the total outstanding shares. When the voting rights by proxies exceed 3% voting rights of the total outstanding shares, the voting rights exceeding the threshold will not be included for calculation.</p> <p>議案之表決，除公司法及公司章程另有規定外，以出席股東表決權過半數之同意通過之。議案如經主席徵詢出席股東無異議時視為通過，其效力與投票表決同。</p> <p>The proposal to be voted on, unless otherwise provided in the Company Law and the Articles of Association, must be with the consent of the attending shareholders with a majority voting right. The proposal is deemed as resolved when there is no objection raised by the shareholders to the Chairman upon the Chairman's consultation and it is as effective as voting.</p> <p>同一議案有修正案或替代案時，由主席併同原案定其表決之順序。如其中一案已獲通過時，其他議案即</p>	

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
	<p>視為否決，勿庸再行表決。 When the same proposal is with amendment or alternative made available, the Chairman is to have the original proposal and the amendment and alternative put together and prioritized for voting. If one of the proposals is resolved, the other proposals will be deemed as vetoed without the need of further voting.</p>	
<p>第十二條 Article 12</p> <p><u>股東每股有一表決權；但受限制或公司法第一百七十九條第二項所列無表決權者，不在此限。</u> <u>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2, Article 179, of the Company Act.</u></p> <p><u>本公司召開股東會時，應採行以電子方式並得採行以書面方式行使其表決權；其以書面或電子方式行使表決權時，其行使方法應載明於股東會召集通知。以書面或電子方式行使表決權之股東，視為親自出席股東會。但就該次股東會之臨時動議及原議案之修正，視為棄權，故本公司宜避免提出臨時動議及原議案之修正。</u> <u>When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with</u></p>	<p>第十二條 Article 12</p>	<p>增列電子方式行表決權之規定；議案表決方式說明及結果公告 Add the regulations governing the exercise of voting rights by electronic means, votes on proposals, and the announcement of voting results.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</u></p> <p><u>前項以書面或電子方式行使表決權者，其意思表示應於股東會開會二日前送達公司，意思表示有重複時，以最先送達者為準。但聲明撤銷前意思表示者，不在此限。</u></p> <p><u>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</u></p> <p><u>股東以書面或電子方式行使表決權後，如欲親自出席股東會者，應於股東會開會二日前以與行使表決權相同之方式撤銷前項行使表決權之意思表示；逾期撤銷者，以書面或電子方式行使之表決權為準。如以書面或電子方式行使表決權並以委託書委託代理人出席股東會者，以委託代理人出席行使之表決權為準。</u></p> <p><u>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two</u></p>		

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.</u></p> <p><u>議案之表決，除公司法及本公司章程另有規定外，以出席股東表決權過半數之同意通過之。表決時，應逐案由主席或其指定人員宣佈出席股東之表決權總數後，由股東逐案進行投票表決，並於股東會召開後當日，將股東同意、反對及棄權之結果輸入公開資訊觀測站。</u></p> <p><u>Except as otherwise provided in the Company Act and the Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p> <p><u>同一議案有修正案或替代案時，由主席併同原案定其表決之順序。如其中一案已獲通過時，其他議案即視為否決，勿庸再行表決。</u></p> <p><u>When there is an amendment or an alternative to a proposal, the chair</u></p>		

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</u></p> <p>議案表決之監票及計票人員，由主席指定之，但監票人員應具有股東身分。</p> <p>The ballot scrutineers and tellers for the voting on the proposal are appointed by the Chairman; however, the ballot scrutineers must be the shareholders of the Company.</p> <p><u>股東會表決或選舉議案之計票作業應於股東會場內公開處為之，且應於計票完成後，當場宣布表決結果，包含統計之權數，並作成紀錄。Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</u></p>	<p>議案表決之監票及計票人員，由主席指定之，但監票人員應具有股東身分。<u>表決結果，應當場報告，並作成記錄。</u></p> <p>The ballot scrutineers and tellers for the voting on the proposal are appointed by the Chairman; however, the ballot scrutineers must be the shareholders of the Company. <u>The voting result must be reported in the meeting and recorded.</u></p>	
<p>第十三條 Article 13</p> <p>股東會有選舉董事時，應依本公司所訂相關選任規範辦理，並應當場宣布選舉結果，<u>包含當選董事之名單與其當選權數。</u></p> <p>The election of the directors in the shareholders' meeting should be processed in accordance with the Company's "Procedures for Election of Directors" and with the election result declared in the meeting <u>immediately, including the names of those elected as directors and the numbers of votes with which they</u></p>	<p>第十三條 Article 13</p> <p>股東會有選舉董事時，應依本公司所訂相關選任規範辦理，並應當場宣布選舉結果。</p> <p>The election of the directors in the shareholders' meeting should be processed in accordance with the Company's "Procedures for Election of Directors" and with the election result declared in the meeting.</p>	<p>選舉時增列應宣布項目</p> <p>Add the regulations regarding items to be declared in the election.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>were elected.</u></p> <p>前項選舉事項之選舉票，應由監票員密封簽字後，妥善保管，並至少保存一年。但經股東依公司法第一百八十九條提起訴訟者，應保存至訴訟終結為止。</p> <p>The ballots of the electoral matters in the preceding paragraph shall be sealed and signed by the ballot scrutineers for safekeeping for at least one year; however, the ballots may be reserved for a longer period of time until the end of the proceeding when a lawsuit is filed by shareholders in accordance with Article 189 of the Company Law.</p>	<p>前項選舉事項之選舉票，應由監票員密封簽字後，妥善保管，並至少保存一年。但經股東依公司法第一百八十九條提起訴訟者，應保存至訴訟終結為止。</p> <p>The ballots of the electoral matters in the preceding paragraph shall be sealed and signed by the ballot scrutineers for safekeeping for at least one year; however, the ballots may be reserved for a longer period of time until the end of the proceeding when a lawsuit is filed by shareholders in accordance with Article 189 of the Company Law.</p>	
<p>第十四條 Article 14</p> <p>股東會之議決事項，應作成議事錄，由主席簽名或蓋章，並於會後二十日內，將議事錄分發各股東。</p> <p>The minutes of meeting should be prepared for the proposals resolved in the shareholders' meeting; also, it should be signed or sealed by the Chairman and distributed to the shareholders within 20 days after the meeting date.</p> <p>議事錄之製作及分發，得以<u>電子</u>方式為之。</p> <p>The meeting minutes may be produced and distributed in <u>electronic</u> form.</p> <p><u>前項議事錄之分發，本公司得以輸入公開資訊觀測站之公告方式為之。</u></p> <p><u>The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</u></p> <p>議事錄應確實依會議之年、月、日、場所、主席姓名、決議方法、議事</p>	<p>第十四條 Article 14</p> <p>股東會之議決事項，應作成議事錄，由主席簽名或蓋章，並於會後二十日內，將議事錄分發各股東。</p> <p>The minutes of meeting should be prepared for the proposals resolved in the shareholders' meeting; also, it should be signed or sealed by the Chairman and distributed to the shareholders within 20 days after the meeting date.</p> <p><u>前項</u>議事錄之製作及分發，得以<u>公告</u>方式為之。</p> <p>The production and distribution of the minutes of meeting stated in the preceding paragraph can be completed by <u>public announcement</u> instead.</p> <p>議事錄應確實依會議之年、月、日、場所、主席姓名、決議方法、議事</p>	<p>增列議事錄應記載項目</p> <p>Add the regulations regarding items to be recorded in meeting minutes.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>經過之要領及表決結果（包含統計之權數）記載之，有選舉董事時，應揭露每位候選人之得票權數。</u>在本公司存續期間，應永久保存。</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and <u>their voting results (including the number of voting rights)</u>, and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.</p>	<p><u>經過之要領及其結果記載之，</u>在本公司存續期間，應永久保存。</p> <p>The minutes of meeting should be prepared with the information of the meeting date, month, and year, place, the name of the Chairman, the resolution method, essential proceedings, and <u>the results</u> included; also, the minutes of meeting should be reserved permanently throughout the existence of the Company.</p>	
<p><u>第十五條</u> <u>Article 15</u></p> <p><u>徵求人徵得之股數及受託代理人代理之股數，本公司應於股東會開會當日，依規定格式編造之統計表，於股東會場內為明確之揭示。</u></p> <p><u>On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.</u></p> <p><u>股東會決議事項，如有屬法令規定、財團法人中華民國證券櫃檯買賣中心規定之重大訊息者，本公司應於規定時間內，將內容傳輸至公開資訊觀測站。</u></p> <p><u>If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taipei Exchange regulations, the Company shall upload the content of such resolution to the MOPS within the</u></p>	<p>新增條文。 Added.</p>	<p>增列應揭示及公告之作業 Add the regulations regarding items to be disclosed and announced.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>prescribed time period.</u></p> <p>第十六條 Article 16</p> <p>辦理股東會之會務人員應佩帶識別證或臂章。 Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or armbands.</p> <p>主席得指揮糾察員或保全人員協助維持會場秩序。糾察員或保全人員在場協助維持秩序時，應佩戴「<u>糾察員</u>」字樣臂章或識別證。 The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they <u>shall wear an identification card or armband bearing the word "Proctor."</u></p> <p><u>會場備有擴音設備者，股東非以本公司配置之設備發言時，主席得制止之。</u> <u>At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.</u></p> <p><u>股東違反議事規則不服從主席糾正，妨礙會議之進行經制止不從者，得由主席指揮糾察員或保全人員請其離開會場。</u> <u>When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.</u></p>	<p>第十六條 Article 16</p> <p>辦理股東會會務人員應佩戴識別證或臂章。 The stagehands at the shareholders' meeting venue should wear name tags or armbands for identification.</p> <p>主席得指揮糾察員或或保全人員在協助維持會場秩序。糾察員或或保全人員在在場協助維持秩序時，應配識別證或臂章。 The Chairman may direct the pickets (or security guards) to help maintain the order at the venue. The pickets (or security guards) at the shareholders' meeting venue to help maintain order should wear name tags or armbands for identification.</p>	<p>列示主席及糾察員會場秩序維護作業 Add the regulations regarding the maintenance of order in the meeting place by the chair and proctors.</p>
<p>第十七條 Article 17</p> <p>會議進行時，主席得酌定時間宣布</p>	<p>第十七條 Article 17</p> <p>會議進行時，主席得酌定時間宣布</p>	<p>增列會議因故未能終結之作業</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>休息，發生不可抗拒之情事時，主席得裁定暫時停止會議，並視情況宣布續行開會之時間。</p> <p>The Chairman may announce at his/her discretion to take a break during the proceedings. The Chairman may decide to have the meeting suspended temporarily due to a force majeure and may have the meeting resumed thereafter depending on the actual practice.</p> <p><u>股東會排定之議程於議事（含臨時動議）未終結前，開會之場地屆時未能繼續使用，得由股東會決議另覓場地繼續開會。</u></p> <p><u>If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.</u></p> <p><u>股東會得依公司法第一百八十二條之規定，決議在五日以內延期或續行集會。</u></p> <p><u>A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.</u></p>	<p>休息，發生不可抗拒之情事時，主席得裁定暫時停止會議，並視情況宣布續行開會之時間。</p> <p>The Chairman may announce at his/her discretion to take a break during the proceedings. The Chairman may decide to have the meeting suspended temporarily due to a force majeure and may have the meeting resumed thereafter depending on the actual practice.</p>	<p>Add the regulations regarding the unfinished meeting agenda for some reason.</p>
<p>第十八條 Article 18</p> <p>本規範制訂於中華民國九十七年六月二十七日，第一次修訂於中華民國九十八年六月二十六日，第二次修訂於民國一〇二年六月十日，第三次修訂於民國一〇四年五月二十八日，第四次修訂於民國一〇七年五月三十日，<u>第五次修訂於民國一〇一年五月二十七日。</u></p> <p>The “Rules of Procedure for Shareholders’ Meeting” was enacted on June 27, 2008. The 1st amendment was made on June 26, 2009. The 2nd</p>	<p>第十八條 Article 18</p> <p>本規範制訂於中華民國九十七年六月二十七日，第一次修訂於中華民國九十八年六月二十六日，第二次修訂於民國一〇二年六月十日，第三次修訂於民國一〇四年五月二十八日，第四次修訂於民國一〇七年五月三十日。</p> <p>The “Rules of Procedure for Shareholders’ Meeting” was enacted on June 27, 2008. The 1st amendment was made on June 26, 2009. The 2nd amendment was made on June 10,</p>	<p>增列修訂日期 Add the date of amendment</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>amendment was made on June 10, 2013. The 3rd amendment was made on May 28, 2015. The 4th amendment was made on May 30, 2018. <u>The 5th amendment was made on May 27, 2021.</u></p>	<p>2013. The 3rd amendment was made on May 28, 2015. The 4th amendment was made on May 30, 2018.</p>	

湯石照明科技股份有限公司
董事選舉辦法修訂條文對照表

Tons Lightology Inc.

Regulations Governing the Election of Director Amendment before and after

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>第一條 Article 1</p> <p>本公司董事之選任，除法令或章程另有規定者外，應依本辦法辦理。 <u>Except as otherwise provided by law and regulation or by the Company's Articles of Incorporation, elections of directors shall be conducted in accordance with these Regulations.</u></p>	<p>第一條 Article 1</p> <p>本公司董事選舉辦法，依本辦法之規定辦理。 The election of directors of the Company shall be handled in accordance with these Regulations.</p> <p>第十二條 Article 12</p> <p>本辦法未規定事項悉依公司法及證券交易法之規定辦理。 Matters not provided in these Regulations shall be handled in accordance with the Company Act and the Securities Exchange Act.</p>	<p>修正理由 Reason for amendment</p> <p>依範例修改用語及刪除現行條文第十二條 Revise wording according to the sample template and Delete Article 2 before the amendment.</p>
<p>第二條 Article 2</p> <p>本公司董事之選任，應考量董事會之整體配置。董事會成員組成應考量多元化，並就本身運作、營運型態及發展需求以擬訂適當之多元化方針，宜包括但不限於以下二大面向之標準： <u>The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors. The composition of the Board of Directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the</u></p>	<p>新增條文。 Added.</p>	<p>增列董事選任之考量因素 Add the considerations for the election of directors.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>following two general standards:</u></p> <p><u>一、基本條件與價值：性別、年齡、國籍及文化等。</u></p> <p><u>1. Basic requirements and values: Gender, age, nationality, and culture.</u></p> <p><u>二、專業知識技能：專業背景（如法律、會計、產業、財務、行銷或科技）、專業技能及產業經驗等。</u></p> <p><u>2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.</u></p> <p><u>董事會成員應普遍具備執行職務所必須之知識、技能及素養，其整體應具備之能力如下：</u></p> <p><u>Each Board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:</u></p> <p><u>一、營運判斷能力。</u></p> <p><u>1. The ability to make judgments about operations.</u></p> <p><u>二、會計及財務分析能力。</u></p> <p><u>2. Accounting and financial analysis ability.</u></p> <p><u>三、經營管理能力。</u></p> <p><u>3. Business management ability.</u></p> <p><u>四、危機處理能力。</u></p> <p><u>4. Crisis management ability.</u></p> <p><u>五、產業知識。</u></p> <p><u>5. Knowledge of the industry.</u></p> <p><u>六、國際市場觀。</u></p> <p><u>6. An international market perspective.</u></p> <p><u>七、領導能力。</u></p> <p><u>7. Leadership ability.</u></p> <p><u>八、決策能力。</u></p> <p><u>8. Decision-making ability.</u></p> <p><u>董事間應有超過半數之席次，不得</u></p>		

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>具有配偶或二親等以內之親屬關係。</u> <u>More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.</u> <u>本公司董事會應依據績效評估之結果，考量調整董事會成員組成。</u> <u>The Board of Directors of the Company shall consider adjusting its composition based on the results of performance evaluation.</u></p>		
<p><u>第三條</u> <u>Article 3</u> 本公司董事之選舉，應依照公司法第一百九十二條之一所規定之候選人提名制度程序為之。 According to Article 192-1 of the Company Act, directors of the Company shall be nominated and selected from the list of candidates.</p> <p><u>董事因故解任，致不足五人者，公司應於最近一次股東會補選之。但董事缺額達章程所定席次三分之一者，公司應自事實發生之日起六十日內，召開股東臨時會補選之。</u> <u>When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders' meeting. When the number of directors falls short by one third of the total number prescribed in the Articles of Incorporation, the Company shall call a special shareholders' meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</u> <u>獨立董事之人數不足證券交易法第十四條之二第一項但書規定者，應</u></p>	<p><u>第二條</u> <u>Article 2</u> 本公司董事之選舉採公司法第一百九十二條之一所規定之候選人提名制度，由股東就候選人名單中選任之。 According to Article 192-1 of the Company Act, directors of the Company shall be nominated and selected from the list of candidates in the General Shareholders' Meeting.</p>	<p>增列董事因故解任之補選作業及修改條次 Add the regulations regarding the by-election of directors dismissed for some reason and revise the article number.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>於最近一次股東會補選之；獨立董事均解任時，應自事實發生之日起六十日內，召開股東臨時會補選之。</u> <u>When the number of independent directors falls below that required under the proviso of Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall be held at the next shareholders' meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders' meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</u></p> <p>本公司獨立董事之資格及選任，應符合「公開發行公司獨立董事設置及應遵循事項辦法」<u>及依據「上市上櫃公司治理實務守則」</u>之規定辦理。</p> <p>The qualifications and election of independent directors of the Company shall be in accordance with the Regulations Authority Appointment of Independent Directors and Compliance Matters for Public Companies <u>and the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.</u></p>	<p>本公司獨立董事之資格及選任，應符合「公開發行公司獨立董事設置及應遵循事項辦法」之規定。</p> <p>The qualifications and election of independent directors of the Company shall be in accordance with the Regulations Authority Appointment of Independent Directors and Compliance Matters for Public Companies.</p>	
<p>第四條 Article 4</p> <p>本公司董事之選舉應採用<u>累積投票制</u>，每一股份有與應選出董事人數相同之選舉權，得集中選舉一人，或分配選舉數人。</p> <p><u>The cumulative voting method shall be used for election of the directors at the Company.</u> Each share has the</p>	<p>第三條 Article 3</p> <p>選舉人之記名，得以在選票上所印股東戶號或出席證號碼代之。 The shareholder's number or the attendance card number of the electors may be used on the ballot instead of the name of the electors.</p> <p>本公司董事選舉，每一股份有與應選出人數相同之選舉權，得集中選舉一人或分配選舉數人。</p> <p>Each share has the number of exercisable votes same as the number of directors to be elected, and the total number of votes per share may</p>	<p>依範例修改用語及修改條次</p> <p>Revise wording according to the sample template and the article number.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>number of exercisable votes same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate, or may be split for election of two or more candidates.</p>	<p>be consolidated for election of one candidate, or may be split for election of two or more candidates.</p>	
<p>第五條 Article 5</p> <p>董事會應製備與應選出董事人數相同之選舉票，並加填其權數，分發出席股東會之股東，<u>選舉人之記名，得以在選舉票上所印出席證號碼代之。</u></p> <p>The ballots shall be prepared by the board of directors and marked with the weights and distributed to shareholders present in order to hold the election in accordance with the quota of directors. <u>Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.</u></p>	<p>第七條 Article 7</p> <p>董事會應備製與應選出董事人數相同之選舉票，並加填其權數，分發出席股東會之股東。</p> <p>The ballots shall be prepared by the board of directors and marked with the weights and distributed to shareholders present in order to hold the election in accordance with the quota of directors.</p> <p>董事之選票依獨立董事與非獨立董事一併選舉分別計票分別當選。 Independent and non-independent directors shall be elected at the same time and the ballots shall be counted and announced separately.</p>	<p>依範例修改用語及修改條次</p> <p>Revise wording according to the sample template and the article number.</p>
<p>第六條 Article 6</p> <p>本公司董事依公司章程所定之名額，分別計算獨立董事、非獨立董事之選舉權，由所得選舉票代表選舉權數較多者分別依次當選，如有二人以上得權數相同而超過規定名額時，由得權數相同者抽籤決定，未出席者由主席代為抽籤。</p> <p>Independent and non-independent directors of the Company shall be elected in accordance with the quota stipulated in Articles of Incorporation. A candidate to whom the ballots cast represent a prevailing number of</p>	<p>第四條 Article 4</p> <p>本公司董事，一依公司章程所規定之名額，分別計算獨立董事、非獨立董事之選舉權，由所得選舉票代表選舉權數較多者，依次分別當選。如有二位以上得權數相同而超過規定名額時，由得權數相同者抽籤決定，未出席者由主席代為抽籤。</p> <p>Independent and non-independent directors of the Company shall be elected in accordance with the quota stipulated in Articles of Incorporation. A candidate to whom the ballots cast represent a prevailing</p>	<p>依範例修改用語及修改條次</p> <p>Revise wording according to the sample template and the article number.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>votes shall be deemed an elected independent or non-independent director. If two or more persons obtain the same number of votes and the number of such persons exceeds the specified seats available, such persons obtaining the same votes shall draw lots to decide who should win the seats available, and the chairperson shall draw lots on behalf of the candidate who is not present.</p>	<p>number of votes shall be deemed an elected independent or non-independent director. If two or more persons obtain the same number of votes and the number of such persons exceeds the specified seats available, such persons obtaining the same votes shall draw lots to decide who should win the seats available, and the chairperson shall draw lots on behalf of the candidate who is not present.</p>	
<p>第七條 Article 7</p> <p>選舉開始前，應由主席指定計票員及具有股東身分之監票員各若干人，執行各項有關職務。<u>投票箱</u>由董事會製備之，於投票前由監票員當眾開驗。</p> <p>Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.</p>	<p>第五條 Article 5</p> <p>選舉開始由主席指定計票員及具有股東身分之監票員各若干人，執行各項有關職務。</p> <p>When the election commences, the chairperson of the meeting shall appoint ballot supervisor(s) from among the shareholders present. Other personnel responsible for counting and announcing the ballots and performing relevant duties shall be appointed by the chairperson of the meeting.</p> <p>第六條 Article 6</p> <p>董事之選舉，由董事會設置投票箱，並於投票前由監票員當眾開驗。</p> <p>The ballot box shall be prepared by the board of directors and examined by the ballot supervisor(s) in public before the voting.</p>	<p>依範例修改用語及修改條次</p> <p>Revise wording according to the sample template and the article number.</p>
<p>第八條 Article 8</p>	<p>第八條 Article 8</p> <p>被選舉人如為股東身分者，選舉人須在選票「被選舉人」欄填明被選舉人戶名及股東戶號；如非股東身分者，應填明被選舉人姓名及身分證統一編號。</p> <p>If the candidate is a shareholder of the Company, the electors shall fill in the name and the shareholder's number of</p>	<p>依範例修改用語</p> <p>Revise wording according to the sample template.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>選舉票有左列情事之一者無效： A ballot shall be void upon any of the following conditions:</p> <p>一、不用 <u>有召集權人製備</u> 之選票者。 1. The ballot was not <u>prepared by a person with the right to convene</u>.</p> <p>二、<u>以空白之選票</u> 投入投票箱者。 2. A blank ballot is placed in the ballot box.</p> <p>三、<u>字跡模糊無法辨認或經塗改者</u>。 3. <u>The writing is unclear and indecipherable or has been altered.</u></p> <p>四、<u>所填被選舉人與董事候選人名單</u> 經核對不符者。</p>	<p>such candidate in the column of "candidate" of the ballot. If the candidate is not a shareholder of the Company, the electors shall fill in such candidate's name and the number of its identification certificate in the same column.</p> <p>惟政府或法人股東為被選舉人時，選票之被選舉人戶名欄應填列該政府或法人名稱，亦得填列該政府或法人名稱及其代表人姓名；代表人有數人時，應分別加填代表人姓名。</p> <p>If the candidate is a government agency or a legal entity, either the full name of the government agency or the legal entity or the full name of the government agency or the legal entity and the name(s) of their representative(s) should be filled in the column of to be elected. If the government linked shareholder or institutional shareholder has several representatives, the name of each representative shall be filled in.</p> <p><u>第九條</u> <u>Article 9</u></p> <p>選舉有下列情事之一者無效： A ballot shall be void upon any of the following conditions:</p> <p>一、不用 <u>本公司所製發</u> 之選票者。 1. The ballot was not in the form provided in accordance with these Rules.</p> <p>二、<u>未經書寫之空白選票</u> 投入投票箱者。 2. The ballot was blank when cast in the ballot box.</p> <p>三、<u>無法辨認者如字跡模糊或選票毀損等</u>。 3. The handwriting on the ballot was blurred or illegible or has been damaged.</p> <p>四、<u>所填被選舉人姓名、股東戶號及分配選舉權數之任何一項，有</u></p>	

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>4. The candidate whose name is entered on the ballot does not conform to <u>the director candidate list</u>.</p> <p><u>五</u>、除填分配選舉權數外，夾寫其他文字者。</p> <p>5. There are other written characters or symbols in addition to the designated number of voting rights on the ballot.</p>	<p>塗改者。</p> <p>4. The name of the candidate, shareholder's number or the designated number of voting rights on the ballot has been altered.</p> <p><u>五</u>、所填被選舉人如為股東身分者，其姓名、股東戶號與股東名簿不符者；所填被選舉人如非股東身分者，其姓名、身分證統一編號經核對不符者。</p> <p>5. If the candidate is a shareholder of the Company, the name(s) of the candidate(s) and shareholder's number are not consistent with the shareholder register; if the candidate is not a shareholder of the Company, the name(s) and numbers of identification certificates are verified to be inconsistent.</p> <p>六、所填被選舉人之姓名與其他股東相同者，而未填寫股東戶號或身分證統一編號以資識別者。</p> <p>6. The name of a candidate filled in on the ballot is same as another shareholder's name but the respective shareholder's numbers or numbers of identification certificates are not indicated to identify each of them.</p> <p><u>七</u>、除填被選舉人之姓名、股東戶號(或身分證統一編號)及分配選舉權數外，夾寫其他文字者。</p> <p>7. There are other written characters or symbols in addition to <u>the name(s) of the candidate(s), or shareholder's number (the number of identification certificate) and</u> the designated number of voting rights on the ballot.</p>	
<p><u>第九條</u> Article <u>9</u> 投票完畢後當場開票，開票結果<u>應</u></p>	<p><u>第十條</u> Article <u>10</u> 投票完畢後當場開票，開票結果由</p>	<p>依範例修改用語並增列選舉票保管及修改</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>由主席當場宣布，<u>包含董事當選名單與其當選權數</u>。</p> <p>The ballot box shall be opened and the ballots shall be counted on spot immediately after the completion of voting, and the result of counting the ballots, <u>including the list of persons elected as directors and the numbers of votes with which they were elected</u>, shall be announced by the chairperson of the meeting.</p> <p><u>前項選舉事項之選舉票，應由監票員密封簽字後，妥善保管，並至少保存一年。但經股東依公司法第一百八十九條提起訴訟者，應保存至訴訟終結為止。</u></p> <p><u>The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p>	<p>主席當場宣佈。</p> <p>The ballot box shall be opened and the ballots shall be counted on spot immediately after the completion of voting, and the result of counting the ballots shall be announced by the chairperson of the meeting.</p>	<p>條次</p> <p>Revise wording according to the sample template, add the regulations regarding the safekeeping of ballots, and the revise article number.</p>
<p>第十條</p> <p>Article 10</p> <p>當選之董事由本公司<u>董事會</u>發給當選通知書。</p> <p><u>The Board of Directors</u> of the Company shall issue notifications to the persons elected as directors.</p>	<p>第十一條</p> <p>Article 11</p> <p><u>投票</u>當選之董事由本公司<u>分別</u>發給當選通知書。</p> <p>A notice of election shall be issued by the Company to elected directors separately.</p>	<p>列示當選通知書發送單位</p> <p>Add the unit in charge of issuing notifications of the election</p>
<p>第十一條</p> <p>Article 11</p> <p>本辦法訂立於民國九十七年六月二十七日，第一次修訂於民國一〇一年六月二十日，第二次修訂於民國一〇四年五月二十八日，第三次修訂於民國一〇七年五月三十日，<u>第四次修訂於民國一一〇年五月二十七日</u>。</p> <p>These Regulations were formulated on June 27, 2008. The first</p>	<p>第十三條</p> <p>Article 13</p> <p>本辦法訂立於民國九十七年六月二十七日，第一次修訂於民國一〇一年六月二十日，第二次修訂於民國一〇四年五月二十八日，第三次修訂於民國一〇七年五月三十日。</p> <p>These Regulations were formulated on June 27, 2008. The first amendment was made on June 20, 2012. The second amendment was</p>	<p>增列修訂日期</p> <p>Add the date of amendment</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p>amendment was made on June 20, 2012. The second amendment was made on May 28, 2015. The third amendment was made on May 30, 2018. <u>The 4th amendment was made on May 27, 2021.</u></p>	<p>made on May 28, 2015. The third amendment was made on May 30, 2018.</p>	

湯石照明科技股份有限公司
資金貸與作業程序修訂條文對照表

Tons Lightology Inc.

Loans and Funds Operating Procedures Amendment before and after

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>第十一條 其他歸屬資金融通相關判斷及作業規定</u> <u>Article 11 Other relevant judgments and regulations regarding loans and funds</u> <u>一、本公司款項有下列情事時，應判斷是否屬資金貸與</u> <u>1. The Company shall judge whether any of the following circumstances involves loans:</u> <u>(一)本公司之應收帳款（對象包括關係人及非關係人）如逾正常授信期限3個月仍未收回且金額重大者，應至少每季提審計委員會及董事會決議是否屬資金貸與性質。除能舉證公司確實未有資金貸與之意圖（如採取法律行動、提出具體可行之管控措施等）外，即應屬資金貸與性質。</u> <u>a. Where the Company's accounts receivable of considerable amounts (including related parties and non-related parties) have been overdue for 3 months beyond the normal credit period, they shall be reported to the Audit Committee and the Board of Directors at least quarterly to determine whether they are loans. Except that the Company presents evidence proving that it has no intention to borrow funds (e.g., taking legal actions and proposing specific and feasible controls), such accounts receivable shall be loans in nature.</u> <u>(二)本公司應收帳款以外之款項，例如「其他應收款」、「預付款項」、「存出保證金」等項目，如金額</u></p>	<p style="text-align: center;">新增 Added</p>	<p>增列其他歸屬資金融通相關判斷及作業規定 Add the regulations regarding other relevant judgments and regulations regarding loans and funds.</p>

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>重大或性質特殊，且有支付金額不具契約關係、支付金額與契約所訂履約義務不符或支付款項之原因消失等任一情況逾3個月仍未收回者，應比照上開規範辦理。</u></p> <p>b. <u>If funds other than the Company's accounts receivable such as other receivables, _____ prepayments, refundable deposits are in large amounts or special nature, and they have been overdue for more than 3 months in any of the following circumstances, they shall be handled in accordance with the above regulations: (1) where the funds do not involve a contractual relationship, (2) where the funds are inconsistent with the contractual obligations, or (3) where the reason for payment dissolves.</u></p> <p><u>二、前述本公司款項經認定屬資金貸與性質者，應自董事會決議日起依第八條規定辦理申報公告，另因該等款項之性質已與原會計項目定義不符，應轉列適當會計項目(如：其他應收款等)。</u></p> <p><u>2. If the aforesaid funds are determined to be loans in nature, they shall be declared and announced in accordance with Article 8 from the date of the resolution of the Board of Directors. As the nature of the funds is inconsistent with the original definition of the account titles, they shall be recognized in appropriate account titles (e.g., other receivables).</u></p> <p><u>三、本公司因依上開規定認定屬資金貸與性質致貸與餘額超限時，應依第九條第五項之規定，訂定改善計畫確實執行，並將改善計畫送審計委員會。</u></p> <p><u>3. When the aforesaid funds are determined to be loans in nature, causing the balance to be in excess of</u></p>		

修正條文 Amended clause	現行條文 Clause before amendment	修正理由 Reason for amendment
<p><u>the credit line, the Company shall make a corrective plan for implementation in accordance with Paragraph 5, Article 9 and submit the same to the Audit Committee.</u></p>		
<p>第<u>十二</u>條 罰則 Article <u>12</u> Punishment</p> <p>以下略 (The following is omitted.)</p>	<p>第<u>十一</u>條 罰則 Article <u>11</u> Punishment</p> <p>以下略 (The following is omitted.)</p>	<p>修改條次 Revise the article number.</p>
<p>第<u>十三</u>條 實施與修正 Article <u>13</u> Enforcement and Amendments</p> <p>以下略 (The following is omitted.)</p>	<p>第<u>十二</u>條 實施與修正 Article <u>12</u> Enforcement and Amendments</p> <p>以下略 (The following is omitted.)</p>	<p>修改條次 Revise the article number.</p>
<p>第<u>十四</u>條 Article <u>14</u></p> <p>本程序制訂於中華民國九十六年十二月三十一日，第一次修訂於中華民國九十八年六月二十六日，第二次修訂於中華民國九十九年六月二十五日，第三次修訂於民國一〇一年六月二十日，第四次修訂於民國一〇二年六月十日，第五次修訂於民國一〇七年五月三十日，第六次修訂於民國一〇八年五月二十九日，<u>第七次修訂於民國一一〇年五月二十七日</u>。</p> <p>The Procedures were established on December 31, 2007. The first amendment was made on June 26, 2009; the second amendment was made on June 25, 2010; the third amendment was made on June 10, 2013. The fourth amendment was made on Jun 10, 2013. The fifth amendment was made on May 30, 2018. The sixth amendment will be made on May 29, 2019. <u>The seventh amendment will be made on May 27, 2021.</u></p>	<p>第<u>十三</u>條 Article <u>13</u></p> <p>本程序制訂於中華民國九十六年十二月三十一日，第一次修訂於中華民國九十八年六月二十六日，第二次修訂於中華民國九十九年六月二十五日，第三次修訂於民國一〇一年六月二十日，第四次修訂於民國一〇二年六月十日，第五次修訂於民國一〇七年五月三十日，第六次修訂於民國一〇八年五月二十九日。</p> <p>The Procedures were established on December 31, 2007. The first amendment was made on June 26, 2009; the second amendment was made on June 25, 2010; the third amendment was made on June 10, 2013. The fourth amendment was made on Jun 10, 2013. The fifth amendment was made on May 30, 2018. The sixth amendment will be made on May 29, 2019.</p>	<p>增列修訂日期 Add the date of amendment</p>

[Appendix 1]

Tons Lightology Inc.
Rules of Procedure for Shareholder Meetings(before Amendments)
(Translation)

Article 1: The shareholders' meeting of the Company is to be convened in accordance with the "Rules of Procedure for Shareholders' Meeting" unless otherwise provided by law.

Article 2: The shareholders' meeting is to be convened by the Board of Directors and the Chairman is to preside the meeting. If the chairman is on leave or cannot perform duty for reasons, the Vice Chairman is to preside the meeting. If there is not a Vice Chairman appointed or the Vice Chairman is also on leave or cannot perform duty for reasons, the Chairman is to appoint his/her representative to preside the meeting. If the Chairman failed to have his/her representative appointed, the representative is to be elected among the Board directors.

If the shareholders' meeting is convened by a convener other than the Board of Directors, such convener shall preside the meeting.

The Company may assign the commissioned attorney, CPA, or the responsible personnel to attend the shareholders' meeting.

Article 3: The place of the shareholders' meeting should be in the county/city where the Company located or where it is convenient to the shareholders for attendance; also, where is suitable for holding a meeting. The shareholders' meeting should not be held before 9:00am or after 3:00pm.

Article 4: Shareholder's attending the shareholders' meeting should base on the calculation of shareholding. The attending shareholders or their representatives shall produce the attendance card as their sign-in; also, the shareholding is calculated in accordance with the attendance cards submitted. If the Company allows shareholders to exercise their voting rights in writing or by electronic system, the shareholding of the attending shareholders should include the shares with voting rights that are exercised in writing or by electronic system.

Article 5: The Chairman shall declare the meeting in session when it is meeting time. However, if the attending shareholders have less than majority shareholding, the Chairman may declare to have the meeting postponed, but it is limited to two postpones and for less than one hour together.

If the attending shareholders remain without the mandatory shareholding ratio after two postpones of meeting; however, the attending shareholders have more than one third of the outstanding shares, a pseudo-resolution can be reached in the meeting in accordance with Article 175 Paragraph 1 of the Company Law.

If the attending shareholders had a majority of the shareholding before the end of the shareholders' meeting, the Chairman may have the pseudo-resolution presented in the meeting for resolution again in accordance with Article 174 of the Company Law.

Article 6: If the shareholders' meeting was convened by the Board of Directors, the agenda is to be set by the Board of Directors. The meeting is to be carried out according to the schedule of the meeting agenda and it cannot be changed without a resolution reached in the shareholders' meeting.

If the shareholders' meeting was convened by the convener other than the Board of Directors, it is to be processed mutatis mutandis to the provisions of the preceding paragraph.

If the proposals (including motions) scheduled in the agenda as stated in the last two paragraphs had not been concluded, the Chairman may not have the meeting adjourned without a resolution reached in the meeting.

Article 7: Shareholders must first fill out the speech slip with the gist of the statement, shareholder account number (or attendance card number), and account name stated before speaking in the meeting; also, the Chairman is to prioritize the speakers.

Shareholders who had submitted the speech slip but did not speak in the meeting shall be deemed as choosing not to speak. If the spoken speech is different from the contents of the speech slip, the confirmed speech shall prevail.

Shareholders who are speaking shall not be interrupted by any other shareholders without the consent of the Chairman and the Chairman is obliged to have the interfering shareholders stopped.

Article 8: Shareholder may not speak twice on the same proposal without the consent of the Chairman; also, each speaker may not speak for more than five minutes each time.

The Chairman may have the speakers who have violated the provisions in

the preceding paragraph, or speaking beyond the scope of the proposal, or violating the meeting order stopped.

The Chairman may respond to or appoint the responsible personnel to respond to the speech given by the shareholders.

Article 9: The institutional shareholder may attend the shareholders' meeting by proxy with only one natural person appointed to attend the meeting. If the institutional shareholder has appointed two or more natural persons to attend the meeting, only one of the natural persons can speak on the same proposal in the meeting.

Article 10: If the Chairman determined that the proposal in discussion was ready for voting, the Chairman may announce to have the discussion ceased and the voting initiated.

Article 11: The voting held in the shareholders' meeting is based on the share count. Shareholders are entitled to one voting right per share.

For the resolution reached in the shareholders' meeting, the number of shares of the shareholders without voting right will not be included in the total number of shares issued.

Shareholders may have had their representatives attending the shareholders' meeting on their behalf by proxies. Except for the trust business or the stock affair agent authorized by securities competent authorities, when one person is commissioned by more than two (inclusive) shareholders, the voting rights by proxies may not exceed 3% voting rights of the total outstanding shares. When the voting rights by proxies exceed 3% voting rights of the total outstanding shares, the voting rights exceeding the threshold will not be included for calculation.

The proposal to be voted on, unless otherwise provided in the Company Law and the Articles of Association, must be with the consent of the attending shareholders with a majority voting right. The proposal is deemed as resolved when there is no objection raised by the shareholders to the Chairman upon the Chairman's consultation and it is as effective as voting.

When the same proposal is with amendment or alternative made available, the Chairman is to have the original proposal and the amendment and alternative put together and prioritized for voting. If one of the proposals is resolved, the other proposals will be deemed as vetoed without the need of

further voting.

Article 12: The ballot scrutineers and tellers for the voting on the proposal are appointed by the Chairman; however, the ballot scrutineers must be the shareholders of the Company. The voting result must be reported in the meeting and recorded.

Article 13: The election of the directors in the shareholders' meeting should be processed in accordance with the Company's "Procedures for Election of Directors" and with the election result declared in the meeting.

The ballots of the electoral matters in the preceding paragraph shall be sealed and signed by the ballot scrutineers for safekeeping for at least one year; however, the ballots may be reserved for a longer period of time until the end of the proceeding when a lawsuit is filed by shareholders in accordance with Article 189 of the Company Law.

Article 14: The minutes of meeting should be prepared for the proposals resolved in the shareholders' meeting; also, it should be signed or sealed by the Chairman and distributed to the shareholders within 20 days after the meeting date. The production and distribution of the minutes of meeting stated in the preceding paragraph can be completed by public announcement instead.

The minutes of meeting should be prepared with the information of the meeting date, month, and year, place, the name of the Chairman, the resolution method, essential proceedings, and the results included; also, the minutes of meeting should be reserved permanently throughout the existence of the Company.

Article 15: The Company shall have the entire process of the shareholders' meeting recorded in audio or video form and reserved for at least one year. However, the audio or video recording of the meeting may be reserved for a longer period of time until the end of the proceeding when a lawsuit is filed by shareholders in accordance with Article 189 of the Company Law.

Article 16: The stagehands at the shareholders' meeting venue should wear name tags or armbands for identification. The Chairman may direct the pickets (or security guards) to help maintain the order at the venue. The pickets (or security guards) at the shareholders' meeting venue to help maintain order should wear name tags or armbands for identification.

Article 17: The Chairman may announce at his/her discretion to take a break during the proceedings. The Chairman may decide to have the meeting suspended temporarily due to a force majeure and may have the meeting resumed thereafter depending on the actual practice.

Article 18: The “Rules of Procedure for Shareholders’ Meeting” was enacted on June 27, 2008. The 1st amendment was made on June 26, 2009. The 2nd amendment was made on June 10, 2013. The 3rd amendment was made on May 28, 2015. The 4th amendment was made on May 30, 2018.

[Appendix 2]

Tons Lightology Inc.
Articles of Incorporation
(Translation)

Chapter 1 General Rules

Article 1 : The Company is incorporated in accordance with the Company Law and is named “Tons Lightology Inc.”

Article 2 : The business operation of the Company is as follows:

- 1.CC01030 Electrical appliances and audio-visual electronic products manufacturing business
- 2.CC01040 Lighting equipment manufacturing business
- 3.CC01080 Electronic components manufacturing business
- 4.CH01010 Sporting goods manufacturing business
- 5.F106010 Hardware wholesale business
- 6.F106030 Mold wholesale business
- 7.F109070 Cultural, educational, musical instruments, and recreational supplies wholesale business
- 8.F113020 Electrical appliances wholesale business
- 9.F119010 Electronic materials wholesale business
- 10.F206010 Hardware retail business
- 11.F209060 Cultural, educational, musical instruments, and recreational supplies retail business
- 12.F213010 Electric appliances retail business
- 13.F219010 Electronic materials retail business
- 14.F401010 International trade business
- 15.E601010 Electric Appliance Construction
- 16.ZZ99999 In addition to the chartered business, the business not-prohibited or not-restricted by law is also permitted for operation

Article 3 : The headquarters of the Company is setup in New Taipei City, Taiwan; also, overseas branches can be setup for business operation with the resolution of the Board of Directors and the approval of the competent authorities.

Chapter 2 Shares

Article 4 : The capital stock of the Company is authorized for an amount of NT\$500,000,000 with 50,000,000 shares issued at NT\$10 par by installment in accordance with the resolutions of the Board.
An amount of NT\$50,000,000 is to be appropriated from the total capital stock stated in the preceding paragraph for issuing employee stock warrants

- with 5,000,000 shares issued by installment in accordance with the resolutions of the Board.
- Article 5 : The Company's transfer investment is not subject to the investment limit of 40% of paid-in capital stated in Article 13 of the Company Law.
- Article 5.1 : The Company may have endorsement and guarantee made externally in accordance with the Company's "Regulations Governing Making of Endorsements/Guarantees."
- Article 6 : The Company's stock is registered and numbered and to be signed or sealed by more than three directors; also, it is to be issued after being certified by the competent authorities or the authorized issuance and registration institute.
The Company may have stock shares issued without any printout made; also, should contact Taiwan Depository & Clearing Corporation for registration. The Company has stock affairs handled in accordance with the relevant laws and regulations of the competent authorities.
- Article 7 : The contents of the shareholder registry may not be modified within 60 days prior to the general shareholders' meeting, thirty days prior to the extraordinary shareholders' meeting, or five days prior to the base date for the distribution of dividend, bonus, or other interests announced by the Company.
- Article 8 : Shareholders' meetings are classified as general shareholders' meeting and extraordinary shareholders' meeting. General shareholders' meeting is to be convened by the Board of Directors once a year within six months at the end of the fiscal year while extraordinary shareholders' meeting can be convened lawfully at anytime when it is necessary.
- Article 8.1 : The date of the meeting, place, and reasons for convening shareholders' meeting should be forwarded to each shareholder thirty days prior to the meeting date for general shareholders' meeting and fifteen days for extraordinary shareholders' meeting.

Chapter 3 Shareholders' Meeting

- Article 9 : The Chairman is to preside the shareholders' meeting. If the Chairman is on leave or cannot perform duty for reasons, the Vice Chairman is to preside the meeting. If there is not a Vice Chairman appointed or the Vice Chairman is also on leave or cannot perform duty for reasons, the Chairman is to appoint his/her representative to preside the meeting. If the Chairman failed to have his/her representative appointed, the representative is to be elected among the Board Directors.
- Article 10 : Shareholders who cannot attend the shareholders' meeting for reasons may have had the representative attending the meeting instead by proxy in accordance with Article 177 of the Company Law.

Shareholder's attending the shareholders' meeting by proxy, unless otherwise provided in the Company Law, should be processed in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholders' Meeting of Public Companies" published by the competent authorities.

Article 11 : The resolutions reached in the shareholders' meeting, unless otherwise provided in the Company Law, must be with the attendance of the shareholders that have majority shareholding and with the approval of the attending shareholders with majority voting rights.

Article 12 : Each stock share held by the Company's shareholders is entitled to one voting right, except for in any of the circumstances stated in Article 175 Section 3 and Article 179 of the Company Law, and the related law and regulations.

Chapter 4 Directors and Managers

Article 13 : The Company's withdrawal of public offering should be handled in accordance with Article 156 Paragraph 3 of the Company Law.

Article 14 : The Company has 7~9 directors nominated for a term of three years and they can be re-elected for a second term. The tenure of the directors who are not replaced at the end of the term can be extended until the next newly elected directors take office.

Directors are nominated as candidates for the election of directors in accordance with Article 192.1 of the Company Law. Shareholders are to have directors elected from the candidate list.

The Company's Board of Directors may resolve to acquire liability insurance for the directors.

Article 15 : There must be at least three independent directors (not less than one fifth of the total number of directors) out of the number of directors referred to above. The professional qualifications of the independent directors, shareholdings, limitation of part-time job, the nomination and appointment method, and other matters to be complied with must be processed according to the relevant provisions of the competent authorities.

The Company established the audit committee in according to Article 14.2 of the Securities Exchange Act. The audit committee is responsible to perform the duties stipulated in the Company Act, Securities and Exchange Act and other laws and regulations.

The audit committee is composed of all independent directors.

Article 16 : The Chairman is elected among the directors with the attendance of two thirds of the directors and the consent of the majority of the attending directors. The Vice Chairman can be elected among the directors the same

way as Chairman when it is necessary. The Chairman represents the Company to the public.

Article 17 : The Board meeting should be convened with the cause of action detailed and the directors notified seven days in advance. A Board meeting can be convened for an emergency at any time. The Company's Board meeting can be convened with the directors notified in writing, by E-mail, or by fax.

The Board meeting is convened by the Chairman, unless otherwise provided in the Company Law. The resolutions reached by the Board of Directors, unless otherwise provided in the Company Law, must be with the attendance of the majority of the directors and the consent of the majority of the attending directors.

Article 18 : The Chairman is to preside the Board meeting. If the Chairman is on leave or cannot perform duty for reasons, the Vice Chairman is to preside the meeting. If there is not a Vice Chairman appointed or the Vice Chairman is also on leave or cannot perform duty for reasons, the Chairman is to appoint his/her representative to preside the meeting. If the Chairman failed to have his/her representative appointed, the representative is to be elected among the Board directors. Board director shall attend the Board meeting in person; however, the Board director who cannot attend the Board meeting in person for reasons may have had other director attending the meeting on his/her behalf by proxy with the scope of authorized detailed. The Board director's attending the Board meeting by proxy is limited to appointing one representative only.

If the Board meeting is convened by a video conference, the directors who have attended the Board meeting by a video conference shall be deemed as attending in person.

Article 19 : The Board of Directors is to determine the remuneration to the Company's directors depending on the extent of their involvement in the Company's business operations and their contributions; also, by referring to the domestic industry standards, regardless of the operating profit or loss.

Article 20 : The Company has the management appointed with the commission, discharge, and remuneration processed in accordance with the Company Law.

Chapter 5 Accountants

Article 21 : The Company's fiscal year is for a period from January 1 to December 31.

Article 22 : The Company should have the following reports prepared at the end of each fiscal year in accordance with Article 228 of the Company Law. The following reports should be presented in the general shareholders' meeting for acknowledgement:

1. Business Report

2. Financial Statements

3. Statement of Earnings Distribution or Loss Subsidy

Article 23 : Dividends and bonuses are distributed proportionally to the shareholding of the shareholders. The Company without any earnings may not have dividends and bonuses distributed.

Article 23.1 The Company's annual profits, if any, should be with 5~15% appropriated as remuneration to employees and with less than 2.5% appropriated as remuneration to directors. If the Company is with accumulated losses, an amount for making up the losses should be reserved in advance.

The remuneration to employees is paid with stock dividend or cash; also, it must be with the consent of the majority of the presenting directors in the Board meeting that is with two thirds of the directors attended; also, the resolution should be reported in the shareholders' meeting.

The remuneration to employees paid with stock or cash is also available to the qualified employees of the subsidiaries; also, the Board of Directors is authorized to regulate the related matters.

The annual profits stated in the preceding paragraph refers to the net income before tax and before deducting the remuneration to employees and directors and it is distributed in a lump sum.

Article 24 : The Company's annual earnings, if any, are to be distributed in an orderly manner as follows:

1. Making up losses of prior periods;
2. Appropriating 10% legal reserve and appropriating or reversing special reserve, is necessary;
3. The remaining balance plus the unappropriated earnings of prior periods are the distributable earnings. The Board of Directors is to propose the earnings distribution in the shareholders' meeting for a resolution.

The industry that the Company engaged in is growing. In consideration of the current and future development plans, investment environment, capital needs, and domestic and international competition; also, taking into account the interests of shareholders, balanced dividends, and the Company's long-term financial planning, the earnings distribution is processed in conformity with the requirements stated in the preceding paragraph; also, the distribution of shareholder dividend shall not be less than 50% of the accumulated distributable earnings. Cash dividend shall not be less than 10% of the total shareholder dividend distributed. However, the Board of Directors may have the said distribution ratio adjusted according to the overall business operation with a resolution reached in the shareholders' meeting.

The Board of Directors of the Company may distribute all or partial of the distributable dividends or bonuses, additional paid-in capital or legal reserve in cash approach under resolution made by more than half of the attended Board members (under circumstances that more than two thirds of the total

Board members attend), and such resolution shall be reported at the Annual Shareholders Meeting. The regulations of the preceding Paragraph shall not apply.

- Article 25 : The shareholder dividend and bonus will be distributed to the shareholders who are included in the shareholders' registry five days prior to the base line date.

Chapter 6 Annex

- Article 26 : The Company's charter and enforcement rules will be enacted separately.
- Article 27 : The matters not addressed in the Articles of Association should be processed in accordance with the Company Law.
- Article 28 : The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The 1st amendment made on June 26, 2010. The 2nd amendment made on November 20, 2010. The 3rd amendment made on March 8, 2002. The 4th amendment made on November 25, 2002. The 5th amendment made on February 10, 2002. The 6th amendment made on March 7, 2006. The 7th amendment made on August 10, 2006. The 8th amendment made on October 12, 2006. The 9th amendment made on April 29, 2007. The 10th amendment made on May 10, 2007. The 11th amendment made on July 29, 2007. The 12th amendment made on October 8, 2007. The 13th amendment made on December 31, 2007. The 14th amendment made on June 26, 2009. The 15th amendment made on May 23, 2011. The 16th amendment made on June 20, 2012. The 17th amendment made on June 10, 2013. The 18th amendment made on May 28, 2015. The 19th amendment made on May 31, 2016. The 20th amendment made on May 26, 2017. The 21st amendment made on May 30, 2018. The 22nd amendment will be made on May 29, 2019.

Tons Lightology Inc.
Codes of Ethical Conduct (before Amendments)
(Translation)

Article 1 Purpose and Basis of Establishment

According to the Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/TPEX Listed Companies, the Code of Ethical Conduct is established for the purpose of encouraging directors and managerial officers of the Company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of the Company) to act in line with ethical standards, and to help interested parties better understand the ethical standards of the Company.

Article 2 Content of the Code

Taking its individual circumstances and needs into consideration, the Company shall adopt a code of ethical conduct that addresses at least the following eight matters:

1. Prevention of conflicts of interest:

Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the Company, as for example when a director, or managerial officer of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship.

The Company shall pay special attention to lending of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director or managerial officer works. The Company shall try its best to prevent conflicts of interest, so as not to harm the interests of all shareholders, and shall offer appropriate means for directors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the Company.

2. Minimizing incentives to pursue personal gain:

The Company shall prevent its directors or managerial officers from engaging in any of the following activities:

(1) Seeking an opportunity to pursue personal gain by using the Company's property or information or taking advantage of their positions;

(2) Obtaining personal gain by using the Company property or information or taking advantage of their positions;

(3) Competing with the Company. When the Company has an opportunity for profit, it is the responsibility of the directors and managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company.

3. Confidentiality:

The directors and managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information

regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or the suppliers and customers.

4. Fair trade:

Directors and managerial officers of the Company shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

5. Safeguarding and proper use of company assets:

All directors and managerial officers have the responsibility to safeguard the Company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability.

6. Legal compliance:

The Company shall strengthen its compliance with the Securities and Exchange Act and other applicable laws, regulations, and bylaws.

7. Encouraging reporting on illegal or unethical activities:

The Company shall raise awareness of ethics internally and encourage employees to report to the Audit Committee, a managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, the Company shall establish a concrete whistle-blowing system and make employees aware that the Company will use its best efforts to ensure the safety of informants and protect them from reprisals.

8. Disciplinary measures:

When a director or managerial officer of the Company violates the Code, the Company shall handle the matter in accordance with the applicable laws or disciplinary measures resolved by the Board of Directors depending on the circumstance. If the circumstance conforms to the Taipei Exchange Procedures for Verification and Disclosure of Material Information of Companies with TPEX Listed Securities, the Company shall without delay disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the Code violated, and the disciplinary actions taken. The violator may seek remedies through a regular complaint system.

Article 3 Procedures for Exemption

Any exemption for directors or managerial officers of the Company from compliance with the Code shall be adopted by a resolution of the Board of Directors, and that information on the date on which the Board of Directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption shall be disclosed without delay on the

MOPS, so that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the Code, and to safeguard the interests of the Company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.

Article 4 Method of Disclosure

The Company shall disclose the Code and any amendments to it on its website, in its annual reports and prospectuses and on the MOPS.

Article 5 Enforcement

Matters not prescribed in the Code shall be governed by applicable laws. The Company's Code as well as any amendments to it shall enter into force after it has been delivered to the Audit Committee, resolved by the Board of Directors, and submitted to a shareholders meeting.

[Appendix 4]

Tons Lightology Inc.
Regulations Governing the Election of Director (before Amendments)
(Translation)

Article 1 The election of directors of the Company shall be handled in accordance with these Regulations.

Article 2 According to Article 192-1 of the Company Act, directors of the Company shall be nominated and selected from the list of candidates in the General Shareholders' Meeting.

The qualifications and election of independent directors of the Company shall be in accordance with the Regulations Authority Appointment of Independent Directors and Compliance Matters for Public Companies.

Article 3 The shareholder's number or the attendance card number of the electors may be used on the ballot instead of the name of the electors.

Each share has the number of exercisable votes same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate, or may be split for election of two or more candidates.

Article 4 Independent and non-independent directors of the Company shall be elected in accordance with the quota stipulated in Articles of Incorporation. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed an elected independent or non-independent director. If two or more persons obtain the same number of votes and the number of such persons exceeds the specified seats available, such persons obtaining the same votes shall draw lots to decide who should win the seats available, and the chairperson shall draw lots on behalf of the candidate who is not present.

Article 5 When the election commences, the chairperson of the meeting shall appoint ballot supervisor(s) from among the shareholders present. Other personnel responsible for counting and announcing the ballots and performing relevant duties shall be appointed by the chairperson of the meeting.

Article 6 The ballot box shall be prepared by the board of directors and examined by the ballot supervisor(s) in public before the voting.

Article 7 The ballots shall be prepared by the board of directors and marked with the weights and distributed to shareholders present in order to hold the election in accordance with the quota of directors.

Independent and non-independent directors shall be elected at the same time and the ballots shall be counted and announced separately.

Article 8 If the candidate is a shareholder of the Company, the electors shall fill in the name and the shareholder's number of such candidate in the column of "candidate" of the ballot. If the candidate is not a shareholder of the Company, the electors shall fill in such candidate's name and the number of its identification certificate in the same column.

If the candidate is a government agency or a legal entity, either the full name of the government agency or the legal entity or the full name of the government agency or the legal entity and the name(s) of their representative(s) should be filled in the column of to be elected. If the government-linked shareholder or institutional shareholder has several representatives, the name of each representative shall be filled in.

Article 9 A ballot shall be void upon any of the following conditions:

1. The ballot was not in the form provided in accordance with these Rules.
2. The ballot was blank when cast in the ballot box.
3. The handwriting on the ballot was blurred or illegible or has been damaged.
4. The name of the candidate, shareholder's number or the designated number of voting rights on the ballot has been altered.
5. If the candidate is a shareholder of the Company, the name(s) of the candidate(s) and shareholder's number are not consistent with the shareholder register; if the candidate is not a shareholder of the Company, the name(s) and numbers of identification certificates are verified to be inconsistent.
6. The name of a candidate filled in on the ballot is same as another shareholder's name but the respective shareholder's numbers or numbers of identification certificates are not indicated to identify each of them.
7. There are other written characters or symbols in addition to the name(s) of the candidate(s), or shareholder's number (the number of identification certificate) and the designated number of voting rights on the ballot.

Article 10 The ballot box shall be opened and the ballots shall be counted on spot immediately after the completion of voting, and the result of counting the ballots shall be announced by the chairperson of the meeting.

Article 11 A notice of election shall be issued by the Company to elected directors

separately.

Article 12 Matters not provided in these Regulations shall be handled in accordance with the Company Act and the Securities Exchange Act.

Article 13 These Regulations were formulated on June 27, 2008. The first amendment was made on June 20, 2012. The second amendment was made on May 28, 2015. The third amendment was made on May 30, 2018.

Tons Lightology Inc.

Loans and Funds Operating Procedures (before Amendments) (Translation)

Article 1 Basis

The Procedures are established in accordance with Article 36-1 of the Securities and Exchange Act and the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies (the Regulations).

The Company shall lend funds in accordance with the Procedures. Matters not prescribed in the Procedures shall be governed by applicable laws.

Article 2 Entities to which the Company May Lend Funds

Except as otherwise provided, the Company shall not lend funds to any of its shareholders or any other person except under the following circumstances:

1. Where an inter-company or inter-firm business transaction calls for a loan arrangement; or
2. Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 40 percent of the lender's net worth.

The term "short-term" referred to in the preceding paragraph means one year, or where the Company's operating cycle exceeds one year, one operating cycle.

The term "financing amount" referred to in Sub-paragraph 2, Paragraph 1, of this article means the cumulative balance of the Company's short-term financing.

The restriction in Subparagraphs 1 and 2 shall not apply to inter-company lending of funds between foreign companies in which the Company holds, directly or indirectly, 100% of the voting shares or lending of funds between the Company and foreign companies in which the Company holds, directly or indirectly, 100% of the voting shares. However, the limits of amount and transaction counterparties as well as the durations of loans shall still be set.

The Person in-charge of the Company shall jointly bear responsibilities with the borrowers upon any violation of Paragraph 1, and shall also bear liability damage if the Company suffers any damage due to such violation.

Article 3 Definition of Subsidiary and Financial Statements

"Subsidiary" referred to in the Procedures shall be determined under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

When financial statements are prepared according to the International Financial Reporting Standards, "net worth" referred to in the Procedures shall mean the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 4 Evaluation Standards for Lending of Funds

1. Where funds are lent to other companies or firms for reasons of business dealings, the maximum amount lent is prescribed in Article 5.
2. Where short-term financing is needed, funds shall only be lent in the following circumstances:
 - (1) A company in which the Company holds more than 50 percent of the shares requires short-term financing for business dealings.
 - (2) Other companies or firms require short-term financing for the purchase of materials or business turnaround.

Article 5 Aggregate Amount of Loans and Maximum Amount Permitted to a Single Borrower

1. Aggregate amount of loans

The aggregate amount of loans lent to companies or firms by the Company for business dealings shall be limited to 20 percent of the Company's net worth as stated in its latest financial statements; the aggregate amount of loans lent to companies or firms by the Company for short-term financing shall be limited to 40 percent of the Company's net worth as stated in its latest financial statements.

2. Maximum amount permitted to a single borrower

When the Company has business dealings with a company or firm, the maximum amount of loans permitted to a single borrower shall be no more than the total amount of trading (purchase or sales, whichever is higher) between the two companies in the most recent fiscal year; however, such limitation is not applicable to subsidiaries in which the Company holds more than 50 percent of the shares.

When companies or firms require short-term financing, the maximum amount of loans permitted to a single borrower shall be no more than 40 percent of the Company's net worth as stated in its latest financial statements.

For the inter-company lending of funds between foreign companies in which the Company holds, directly or indirectly, 100% of the voting shares, the aggregate amount and maximum amount permitted to a single borrower shall not be limited to 40 percent of the Company's net worth as stated in its latest financial statements; however, the maximum amount permitted to a single borrower shall be limited to 40 percent of the subsidiary's net worth, and the aggregate amount shall be limited to 60 percent of the subsidiary's net worth. The term of financing is limited to 3 years.

Article 6 Duration of Loans and Calculation of Interest

The term of each loan shall be limited to one year.

The interest rate of the loan is adjusted within the range of interest rates of loans borrowed by the Company from financial institutions. The interest rate of the loan accrues on a daily basis and is collected on a monthly basis. In case of special circumstances, the interest rate of the loan may be adjusted and accrue with the consent of the Board of Directors.

For the inter-company lending of funds between foreign companies in which the Company holds, directly or indirectly, 100% of the voting shares, the

term of each loan is not limited to one year.

Article 7 Procedures for Handling and Reviewing Lending of Funds

1. Application

The borrower shall submit the company's information and financial data to the Company in writing for financing.

2. Credit and risk assessment

After the Company accepts the applicant, the finance department shall investigate and evaluate the business, finance, solvency, credit, and profitability of the borrower as well as the purpose of the loan and make an investigation report. The said report shall also include the evaluation of the necessity of and reasonableness of extending the loan and the impact on the Company's business operations, financial condition, and shareholders' equity.

3. Ratification

If a loan is granted after the credit investigation and risk assessment, the person in charge of extending loans shall submit the credit investigation report, review comments, and conditions for extending the loan to the chairperson and the Audit Committee for approval and to the Board of Directors for resolution. The Company shall not empower any other person to make such decision. Lending of funds between the Company and its parent company or subsidiaries, or between its subsidiaries, shall be submitted to the Audit Committee for approval and then for a resolution by the Board of Directors, and the chairperson may be authorized, for a specific borrowing counterparty, within a certain monetary limit resolved by the Board of Directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down.

Except for the foreign companies in which the Company holds, directly or indirectly, 100% of the voting shares, "certain monetary limit" on loans extended by the Company or any of its subsidiaries to any single entity mentioned in the preceding paragraph shall not exceed 10% of the Company's net worth as stated in the latest financial statements.

When the Company submits the Procedures for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board meeting.

4. Guarantee

When handling the lending of loans, the Company shall obtain the secured note. If the borrower provides an individual or a company with substantial financial resources and credit for guarantee or uses its property (including real estate, movable property, and intellectual property rights) as collateral, the Board of Directors may determine the method for guarantee separately. If the borrower provides a company for guarantee, the Company shall examine whether its articles of incorporation stipulates that a company may be provided for guarantee; if the borrower provides an individual for guarantee, the Company shall assess the value of the collateral to the Company's claims. The

Company shall set the mortgage on movable property or real estate or purchase fire insurance (except for land, securities, and intellectual property rights) and related insurance whenever necessary. The amount of insurance shall not be less than the value of the collateral. The insurance policy shall specify that the Company is the beneficiary.

Article 8 Procedures for Announcement and Reporting

1. The Company shall report the previous month's loan balances of the Company and its subsidiaries in the Market Observation Post System by the 10th day of each month.
2. The Company whose loan balances reach one of the following levels shall report such event in the Market Observation Post System within two days commencing immediately from the date of occurrence. "Date of occurrence" in the Procedures means the date of contract signing, date of payment, dates of Boards of Directors' resolutions, or other date that can confirm the counterparty and monetary amount of the loans, whichever date is earlier.
 - (1) The aggregate balance of loans to others by the Company and its subsidiaries reaches 20 percent or more of the Company's net worth as stated in its latest financial statements.
 - (2) The balance of loans by the Company and its subsidiaries to a single enterprise reaches 10 percent or more of the Company's net worth as stated in its latest financial statements.
 - (3) The amount of new lending of funds by the Company or its subsidiaries reaches NT\$10 million or more, and reaches 2 percent or more of the Company's net worth as stated in its latest financial statements.
3. The Company shall report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to report pursuant to subparagraph 3 of the preceding paragraph.
4. The Company shall evaluate the status of its lending of funds and reserve sufficient allowances for bad debts, and shall adequately disclose relevant information in its financial statements and provide certified public accountants with relevant information for implementation of necessary auditing procedures.

Article 9 Subsequent Measures to Control Loans and Procedures for Handling Delinquent Creditor's Rights

1. After the loan is appropriated, the Company shall pay close attention to the financial, business, and credit status of the borrower and the guarantor. If the collateral is provided, the Company shall pay attention to any change in its value. In case of major changes, the chairperson shall be notified and give proper instructions. When the borrower pays off the loan on or before the due day, interest payable shall be calculated first and then repaid along with the principal. After the principal and interest are paid off, the collateral will be returned or the responsibility for guarantee will be released.

2. The borrower shall pay off the principal and interest when the loan expires. If the borrower fails to pay off the principal and interest by the due day, the Company may dispose of the collateral or guarantor and make a claim according to the law.
3. The Company shall prepare a memorandum book for its fund-lending activities and truthfully record the following information: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated the Procedures.
4. The Company's internal auditors shall audit the Procedures and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify the Audit Committee in writing of any material violation found.
5. If, as a result of a change in circumstances, an entity for which an endorsement/guarantee is made does not meet the requirements of the Regulations or the loan balance exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to the Audit Committee, and shall complete the rectification according to the timeframe set out in the plan.

Article 10 Procedures for Controlling Lending of Funds by Subsidiaries

1. When subsidiaries of the Company plans to lend funds to others, the Company shall request the subsidiaries to establish and implement the
2. Unless otherwise prescribed in the Procedures, the Company shall control the funds lent by subsidiaries in accordance with the Regulations Governing the Supervision of Subsidiaries.
3. Subsidiaries of the Company shall compile the list of funds lent to others in the previous month and report it to the Company in writing by the 7th day of every month.
4. The subsidiaries' internal auditors shall audit the Procedures for the Lending of Funds and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify the Company's audit department in writing of any material violation found, and the audit department will then forward the written data to the Audit Committee.
5. When auditing subsidiaries according to the annual audit plan, the Company's auditors shall also review their Procedures for the Lending of Funds. If any material violation is found, they shall follow up the improvement and submit the follow-up report to the president or chairperson of the Company.
6. Provisions of this article may be adjusted or amended based on the industry and actual needs of subsidiaries (including but not limited to statutory changes).

Article 11 Punishment

When managers or persons in charge of the Company violate the Regulations or the Procedures, they shall be punished according to the Company's disciplinary measures.

Article 12 Enforcement and Amendments

After passage by the Audit Committee, the Procedures shall be submitted to the Board of Directors for resolution and for approval by the shareholders' meeting. Where there any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the dissenting opinions for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.

The stipulated or amended operation procedures for loaning to any third parties shall only enter into effect after resolution made by more than half of the members of the Audit Committee and the subsequent resolution of the Board of Directors. The aforesaid procedures may enter into effect after resolution made by more than two thirds of the total Board of Directors members if the approval of more than half of the members of the Audit Committee is not obtained, however, the decision by the Audit Committee shall be recorded in the meeting minute of the Board of Directors. The above-mentioned members of the Audit Committee and the Board of Directors shall be those who are currently in their term of office.

Article 13 The Procedures were established on December 31, 2007. The first amendment was made on June 26, 2009. The second amendment was made on June 25, 2010. The third amendment was made on June 20, 2012. The fourth amendment was made on June 10, 2013. The fifth amendment was made on May 30, 2018. The sixth amendment was made on May 29, 2019.

[Appendix 6]

Tons Lightology Inc.
Shareholding of Directors

1. The Company's common stock shares issued : 39,961,553 shares

The minimum required combined shareholding of all directors by law : 3,600,000 shares

2. The number of shares held by all directors as of the stop-transfer date on March 29, 2021 is as follows;

Unit: Shares; %

Title	Name	Elected date	Elected shareholding		Current shareholding	
			Shares	Percentage of the outstanding shares (%)	Shares	Percentage of the outstanding shares (%)
Chairman	TANG, SHIH-CHUAN	05.28.2020	3,535,633	8.78	3,535,633	8.85
Director	HUNG, CHIA-CHENG	05.28.2020	1,085,381	2.70	1,042,381	2.61
Director	CHEN, MING-HSIN	05.28.2020	-	-	-	-
Director	HSIAO, CHEN-CHI	05.28.2020	25,250	0.06	25,250	0.06
Independent Director	HSU, CHUNG-YUAN	05.28.2020	-	-	-	-
Independent Director	CHOU, LIANG-CHENG	05.28.2020	-	-	-	-
Independent Director	LEE, SHYH-CHIN	05.28.2020	-	-	-	-
The number of shares and shareholding ratio held by all directors			4,646,264	11.54	4,603,264	11.52

[Appendix 7]

The proposals of the shareholders who have more than 1% shareholding of the Company's outstanding shares.

1. According to Article 172-1 of the Company Law, the Company is accepting the proposals of the shareholders for the general shareholders' meeting from March 19 to March 29, 2021.
2. There was not any proposal presented by the shareholders who had more than 1% shareholding of the Company's outstanding shares during the said period of time.