



Stock Code: 2458

ELAN MICROELECTRONICS CORP.

2018 Annual Shareholders' Meeting Meeting Agenda

Date: June 11, 2018

1F, No. 12, Innovation 1st Rd., Hsinchu Science Park, Hsinchu
30076, Taiwan
(Elan's meeting room)



Please Read the Following Notice Before Using the Meeting Agenda

Readers are advised that the original version is in Chinese. If there is any conflict between the English version and the Chinese one or any difference in the interpretation of the two versions, the Chinese language report shall prevail.

In addition, certain of our financial information have been published in accordance with requirements of the Republic of China Securities and Futures Commission and are presented in conformity with accounting principles generally accepted in the Republic of China. Readers should be cautioned that these accounting principles differ in many material respects from accounting principles generally accepted in other countries.

Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

The materials and information provided on this meeting agenda have been issued by Elan and are posted solely for informational purposes and is not an offer to buy or sell or solicitation of an offer to buy or sell any securities issued by us or otherwise.

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ELAN MICROELECTRONICS CORP.

2018 Annual General Shareholders' Meeting Procedure

1. Commencement
2. Chairman's address
3. Reporting items
4. Approval items
5. Discussion items
6. Election items
7. Other items
8. Extemporaneous motions
9. Adjournment



ELAN MICROELECTRONICS CORP.

2018 Annual General Shareholders' Meeting Agenda

1. Time: 9:00 a.m., June 11, 2018 (Monday)
2. Location: 1F, No. 12, Innovation 1st Rd., Hsinchu Science Park, Hsinchu 30076, Taiwan (Elan's meeting room)
3. Chairman: I.H. Yeh
4. Chairman's address
5. Reporting items
 - (1) 2017 business report
 - (2) Audit Committee's review report on the 2017 financial statements
 - (3) Report on 2017 employees' compensation and remuneration to directors
6. Approval items
 - (1) Adoption of the 2017 business report and financial statements
 - (2) Adoption of the proposal for distribution of 2017 profits
7. Discussion items
 - (1) Amendments to the Company's "Articles of Incorporation"
 - (2) Discussion of cash distribution from capital surplus
 - (3) Proposal of capital reduction
8. Election Items
The 9th Board of Directors Election
9. Other Items
Proposal of release the Company's directors from non-competition restriction
10. Extemporaneous Motions
11. Adjournment

Reporting items

(1) 2017 business report

Please refer to the 2017 business report, as attachment 1 (page10).

(2) Audit Committee's review report

Please refer to the Audit Committee's review report, as attachment 2 (page12).

(3) Report on 2017 employees' compensation and remuneration to directors

- i. The income before income tax for 2017 reached NT\$1,471,326,909 (after deducting employees' compensation and remuneration to directors).
- ii. In accordance with the Company's Articles 29 of Incorporation, 2017 employees' compensation and remuneration to directors will be NT\$155,000,000 (10.53%) and NT\$20,000,000 (1.36%), respectively and paid by cash.

Approval items

Proposal No. 1

Proposed by the Board

Adoption of the 2017 business report and financial statements

Explanation:

- (1) The Company's 2017 business report and financial statements were audited by independent auditors, Wey Chuan, Gau and Mei Yu, TSENG, of KPMG. Furthermore, the Company's 2017 business report and financial statements have been approved by the Board of Directors on March 8, 2018 and reviewed by the Audit Committee. The Audit Committee's review report was issued accordingly.
- (2) Please refer to the 2017 business report and financial statements, as attachment 3 (page 13).

Resolution:

Proposal No. 2

Proposed by the Board

Adoption of the proposal for distribution of 2017 profits

Explanation:

- (1) The proposal for distribution of 2017 profits has been approved by the Board of Directors on March 8, 2018.
- (2) According to the Company's Articles 29 of Incorporation, the Company's 2017 earnings, shall be levied profit-seeking enterprise income tax in accordance with Income Tax Act of the Republic of China, in addition to compensate for loss during the previous years, and allocate statutory surplus reserve. Each common shareholder will be entitled to receive a cash dividend of NT\$2.3 per share. This distribution of earnings' preference is as to 2016 profits.
- (3) If the Company is affected the number of outstanding shares as a result of changes in share capital, so that the shareholders of the interest rate changes, intends to authorize the Chairman to adjust.
- (4) Please refer to the 2017 Surplus Earnings Distribution Chart, as attachment 4 (page 29).

Resolution:

Discussion items

Proposal No. 1

Proposed by the Board

Amendments to the Company's "Articles of Incorporation"

Explanation:

In order to expand product business and establish the Company's integrity management practices, the Company plans to make amendments to the Company's "Articles of Incorporation". Please refer to Table comparing the original and the amended articles of the Company's "Articles of Incorporation", as attachment 5 (page 30).

Resolution:

Proposal No. 2

Proposed by the Board

Discussion of cash distribution from capital surplus

Explanation:

- (1) Pursuant to Article 241 of the Company Act of the Republic of China, the capital reserve of the Company is NT\$121,552,157 in excess of the amount of the issued shares, shareholding of the shareholders of the Company on the basis of capital reserve, each shareholder will be entitled to receive a cash dividend of NT\$0.28 per share. Cash dividends should be rounded down to one NTD, amounts less than one NTD shall be ignored (its abnormal dollars included in the Company's other income).
- (2) If the Company is affected the number of outstanding shares as a result of changes in share capital, so that the shareholders of the interest rate changes, intends to authorize the Chairman to adjust.
- (3) If the payout is impacted to change due to the law amendment, government regulations or other matters, it is proposed to fully authorize the Chairman to proceed on the relevant matters.

Resolution:

Proposal No. 3

Proposed by the Board

Proposal of capital reduction

Explanation:

- (1) With the intention of capital structure adjustments and return of equity increases, the Company plans to make a capital reduction.
- (2) Cancellation ratio: approximately 30%, total amount: NT\$1,302,344,530, cancelled shares: 130,234,453 shares of common stock. The cancelled shares are determined by the shareholding ratio of shareholders in the register of shareholders on the record date of the reduction, based on the total outstanding shares as of April 16, 2018: 434,114,845 shares, i.e. for every 1,000 shares, 300 shares will be cancelled. After reduction, the Company's paid-in capital is NT\$3,038,803,920, share par value NTD\$10, total 303,880,392 shares

issued. If the cancellation ratio is impacted to change due to the law amendments afterward, Company's subsequent share buyback, or the transfer of treasury stocks, as a result of affected the number of outstanding shares; it is proposed to authorize the Board of Directors to proceed on the relevant matters.

- (3) Upon the approval in the General Shareholders' Meeting, it is proposed that the Chairman be authorized to determine the reduction record date.
- (4) After reduction, the Company's stocks shall be issued in non-physical form with entirely share exchange. The cancelled shareholding shares of each stockholder are in accordance with the shareholders' register on the reduction record date and calculated individually; every 1,000 shares, 700 shares will be exchanged, total cancelled shares: 130,234,453 shares. After reduction, the shareholders who have fractional share (less than one share) will be paid by cash, calculating by percentage, rounded down to one NTD, according to the Company's closing price in the centralized security market on one day before the reduction record date. Upon the fractional shares shall be authorized to the Chairman to purchase at the closing price described as above.
- (5) It is proposed that the Board of Directors be authorized to take any action that may be required in connection with the capital reduction plan as a result of any amendment to applicable laws or regulations or as required by the competent authorities.

Resolution:

Election items

The 9th Board of Directors Election (including Independent Directors)

Explanation:

1. The Company's Directors of the 8th Board will be end on June 1, 2018. Accordingly, the Company proposes to duly elect new Board members, a total of 7 directors (including 3 Independent Directors), their three-year term will start from this year's Annual General Meeting of Shareholder.
2. Pursuant to the Company's "Corporate Charter", article 192-1 of the Company Act of the Republic of China, and the article 5 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies of the Republic of China, the directors shall be elected from the nomination list prepared by the Company. Personal information of the nominees is as follows:

Name	Education	Experience	Current Position
I.H. Yeh The representative of Yu Long Investment Corp.	Master of Electronics Engineering, National Chiao Tung University	<ul style="list-style-type: none"> • Engineer of Electronic & Optoelectronic System Research Laboratories, Industrial Technology Research Institution • Manager of Department, Hualon Microelectronics Co. LTd. • The Chairman of the Company 	The Chairman of the Company
Kuo-Lung Yen	Master of Electronical Engineering, National Taiwan University	<ul style="list-style-type: none"> • Engineer of Electronic & Optoelectronic System Research Laboratories, Industrial Technology Research Institution • Manager of Hwa Chang Semiconductor Corp. • Director of the Company 	Director of the Company
Te-Chen Chiu	MBA Program, National Chengchi University	<ul style="list-style-type: none"> • Director of Top Taiwan Venture II Capital Co., LTD., Top Taiwan Venture III Capital Co., LTD., Top Taiwan Venture IX Capital Co., LTD., Top Taiwan Venture 	<ul style="list-style-type: none"> • Independent Director of Silitech Technology Co. & Chicony Power Technology Co., Ltd. • Representative of

		<p>X Capital Co., LTD.</p> <ul style="list-style-type: none"> • The Chairman & CEO of Top Taiwan Venture Capital Co., LTD. & Top Taiwan Venture XI Capital Co., LTD. • Director of the Company 	<p>a juridical person director of Depo Auto Parts Industrial Co., Ltd., ShareHope Medicine Co., Ltd., Chia Chang Co., Ltd. & AMICCOM Electronics Co., Ltd.</p> <ul style="list-style-type: none"> • Supervisor of SINBON Electronics Co., Ltd. • Director of the Company
<p>Ci-Lin Wea</p> <p>The representative of Tsung Long Investment Corp</p>	<ul style="list-style-type: none"> • Doctor of Economics University of Paris, France • Msc of Management , Imperial College London 	<ul style="list-style-type: none"> • The Chairman of Land Bank of Taiwan • Secretary General of Executive Yuan • The Dean of International Business Graduate School • Director of the Company 	<ul style="list-style-type: none"> • Professor of Business Administration Graduate School, National Taiwan University • Director of AcBel Polytech Inc. • Director of Taiwan Venture VI Capital Co., LTD., Taiwan Venture VII Capital Co., LTD., & Taiwan Venture VIII Capital Co., LTD. • Independent Director of Inventec Besta Co., Ltd., SINBON Electronics Co., Ltd. & Formosa Plastics Corp. • Director of the Company
<p>Homing Chen</p>	<ul style="list-style-type: none"> • Doctor of Business Administration, National Taiwan University 	<ul style="list-style-type: none"> • Professor of International Business Department, National Taiwan University 	<ul style="list-style-type: none"> • Professor of International Business Department, National Taiwan

		<ul style="list-style-type: none"> • The President of Commerce Development Research Institute • The President of Management School, National Chung Hsing University • Independent Director of the Company 	<ul style="list-style-type: none"> • University Independent Director of the Company
Mao-Kuei Lin	<ul style="list-style-type: none"> • Graduated from Provincial Taipei Institute of Technology • EMBA Program, National Chengchi University • Honorary doctorates, National Taipei University of Technology 	<ul style="list-style-type: none"> • Vice Chairman & President of Chicony Electronics CO., Ltd. • Factory Manager of ITE-ON Technology Corporation • Independent Director of the Company 	<ul style="list-style-type: none"> • Vice Chairman & President of Chicony Electronics CO., Ltd. • Independent Director of the Company
Hsien-Ming Lin	Bachelor of Electronics Engineering, National Chiao Tung University	<ul style="list-style-type: none"> • The Chairman & CSO of Wistron Corp. • CEO of Acer Inc. • Independent Director of the Company 	<ul style="list-style-type: none"> • The Chairman & CSO of Wistron Corp. • Independent Director of the Company

Voting Results

Other Items

Proposal: Permit of directors' engagement in competitive conducts

Explanation:

1. According to Article 209 of the Company Act of the Republic of China, a director who conducts business within the business scope of the Company for himself or others shall explain in the shareholders' meeting the essential contents of such conduct and obtain the shareholders' approval.
2. It is proposed to submit to the shareholders' meeting for resolution to remove the restrictions preventing the Company directors and independent directors from performing work in other companies. Details of positions concurrently held by directors and independent directors in other companies are as the following table:

Name	Company Name	Title(s) of the Competitive Companies
I.H. Yeh	Avisonic Technology Corp.	Chairman
	Elan Investment Corp.	
	Pixord Corporation	
	Metanoia Communications Inc.	
	Top Taiwan Venture II Capital Co., Ltd.	
	Top Taiwan Venture IV Capital Co., Ltd.	Director
	Top Taiwan Venture V Capital Co., Ltd.	
	Top Taiwan Venture VI Capital Co., Ltd.	
	Top Taiwan Venture VII Capital Co., Ltd.	
	Top Taiwan Venture VIII Capital Co., Ltd.	
	Top Taiwan Venture IX Capital Co., Ltd.	
	Top Taiwan Venture X Capital Co., Ltd.	
	Elan H.K.	
	Power Asia	
Kuo-Lung Yen	Metanoia Communications Inc.	Director
	Elan Investment Corp.	
	Eminent Electronic Technology, Co., Ltd.	
	Avisonic Technology Corp.	
	Uniband Electronic Corp.	
	Lyra Semiconductor Inc.	
Te-Chen Chiu	Top Taiwan Venture Capital Co., Ltd.	Chairman
	Top Taiwan III Venture Capital Co., Ltd.	
	Top Taiwan IX Venture Capital Co., Ltd.	
	Top Taiwan X Venture Capital Co., Ltd.	
	Top Taiwan XI Venture Capital Co., Ltd.	

	Top Taiwan XII Venture Capital Co., Ltd.	Director
	Top Taiwan II Venture Capital Co., Ltd.	
	Top Taiwan II Venture Capital Co., Ltd.	
	Top Taiwan IV Venture Capital Co., Ltd.	
	Top Taiwan V Venture Capital Co., Ltd.	
	Top Taiwan VI Venture Capital Co., Ltd.	
	Top Taiwan VII Venture Capital Co., Ltd.	
	Top Taiwan VIII Venture Capital Co., Ltd.	
	Silitech Technology Co.	Independent Director
	Chicony Power Technology Co., Ltd.	
	Depo Auto Parts Industrial Co., Ltd., & ShareHope Medicine Co., Ltd.	Representative of a juridical person director
	Chia Chang Co., Ltd.	
	AMICCOM Electronics Co., Ltd.	
Ci-Lin Wea	Taiwan Venture VI Capital Co., LTD.	Director
	Taiwan Venture VII Capital Co., LTD.	
	Taiwan Venture VIII Capital Co. LTD.	
	AcBel Polytech Inc.	
	Inventec Besta Co., Ltd.	Independent Director
	SINBON Electronics Co., Ltd.	
	Formosa Plastics Corp.	
Mao-Kuei Lin	Blackwood Investment Corp.	Chairman
	XAVi Technologies Corp.	Chairman & President
	Unikey Electronics Co., Ltd.	Chairman & President
	Chicony Power Technology Co., Ltd.	Vice Chairman & President
	Chicony Electronics CO., Ltd.	Vice Chairman & President
	Electronics (Taiwan) Co., LTd.	Vice Chairman & President
	Chun Chin Power Technologies Co., Ltd	Vice Chairman & President
	Guang Sheng Investment Co., Ltd	Vice Chairman & President
	Excellent Industry Corp.	Director
	Yifeng Corp.	
	CLEVO CO.	
	Alcor Micro Corp.	
	Carlight Technology Co., Ltd	
	Alled Circuit Co., Ltd.	
		Independent Director
Hsien-Ming Lin	Wistron Corp.	Chairman & CSO
	Wistron Information Technology & Services Corp.	Chairman
	Wiwynn Corp.	
	Wistron Medical Tech Holding Company.	
	Wistron Digital Technology Holding Company..	

Homing Chen	Gamania Digital Entertainment	Director
	Neo Solar Power Corp.	Independent Director
	Taiwan IC Packaging Corp.	
	Roo Hsing Co., Ltd.	Director
	Fultech Industries Corp.	Independent Director
	Mytrex Health Technologies, Inc	

Resolution:

Extemporary motions

Adjournment

Attachments

Attachment 1

ELAN MICROELECTRONICS CORP.

2017 Business Report

I. 2017 Operating Results

The growth momentum of touch devices and applications industry has been in a flat performance, in addition to intense price competition owing to more and more competitors' participation, which caused the decreasing average selling price. However, with IC design technology engineering advantages, Elan Microelectronics Corp. (hereinafter referred to as "the Company") still made good progress on revenue achieving NT\$75.03 billion in 2017, +14%YoY. Compared to 2016, the gross margin increased substantially to 45%, the net operating margin was up to 18% and the income before income tax reached NT12.96 billion in 2017 due to continuously optimized production mix as well as cost reducing.

The Company has proactively developed fingerprint products and applications, shipments up couple time mainly result from the increasing smartphone's and notebook's purchase orders. Although the fingerprint market is very competitive; the Company still seeks to decrease cost efficiently, and to promote newly added encryption feature as the added-value to customer, which could generate the growth of revenue and profits. In terms of three key applications of touch devices industry, both smartphone and tablet sections entry mature period in their product life cycle, shipments decreased gradually year over year; touch for notebook section, because of new coming customers and greater penetration rate of individual customer, overall shipments were up 60% in 2017, compared to 2016; hence, 2017 was a prosperous year for the Company.

In response to fast pace of variation of macroeconomic environment and constant in the high level competition within the industry, the Company continuously devotes a large cost on reach and development expenses, including engineering human resources for touch section and biometric identification section, but also Artificial Intelligence technology. With enforcing product features and constant cost-down, the annual shipment of touch-screen chips for notebook was 14 million sets, including most top tier branding companies' purchase orders, +60% YoY, market share ratio was higher than 60%, in the first place worldwide. Moreover, the annual shipment of touch screen chips for smartphone was 5 million sets, for tablet was 3.3 million sets, the annual fingerprint IC shipment was 7.3 million sets. The Company has encountered vigorous competitions, but left no stone unturned.

Another core product, modules with chips for touch pad, occupied more than 35% of global market, ranked in the second place in the world, and aims to be in the first place worldwide. To promote the customers' competitiveness in the international market, the Company has been making a lot of efforts to provide the best quality of chips that fulfill single chip, high pressure, low noise and low power consumption requirements. Eventually, these efforts brought positive results, annual shipment

for touch pad was more than 5.7 million sets, +18% YoY. The chips for touch screen and the modules with chips for touch pad together made the most significant contribution to the Company's revenue and profits.

Regarding of product development, the Company keeps developing a variety of enormous demand products to response to end-user market trend. R&D expenses accounted 16% of 2017's revenue; gradually accomplished a series of chips, such as applied in the IoT and smart home appliances, the solution for active capacitive pen with supporting simultaneously touch, the low consumption non-touch fingerprint smart card sensor, chips for the independent smoker detector alarm system, the solution integrated with touch HD panel and driver IC, applied in 18:9 mobile phones, and the touch pad solution with anti-false-judgment for palm pressed.

The Company won awards from time to time, for instance, the any pen solution with simultaneously touch feature, conferred with "the 2017 Innovative Product Awards" by the Hsinchu Science Park Bureau and the smart debit card with fingerprint feature honored with "the 100 Innovative Consumer Electronics Product Awards in 2017" by Itmonth.

II. 2018 Business Plan

According to the World Bank and the International Monetary Fund (IMF) predictions, the global economy is expected to be more positive during 2018, compared to 2017. IMF rose the economic growth predictions worldwide for both 2018 and 2019, was attributable to the entire tax reduction in the United State of America (U. S. A.), it may increase the largest economy's investment, then bring benefits to the trading partners of U. S. A.. IMF forecasted that the global economic growth rate is 3.9%, the economic growth of U. S. A. shall be in the first place of advanced economies, revised increasingly to 2.7%, the economic visions of China, Euro area and Japan shall be well-performance.

The core growth momentum comes from the better effects of touch applications in such opportunities upwards in 2018. The Company is expected to won many famous brand companies' 2 in 1 notebook projects, and re-promoting the existing customers' penetration rate; in addition, devoting to Artificial Intelligence applied in face recognition products, a single chip project for the touch feature connected with capacitive touch pen, a TDDI single chip project for the touch feature connected with LCD driver IC, and other competitive advantaged innovation of products.

The Company corporates with Wacom, a company occupies the largest proportion of touch pen market in the world, launches the touch feature connected with capacitive touch pen for smartphone, can provide users enhanced handwriting precisely, easily making notes easily; even it can display better performance for professional drawing applications. More and more needs of the touch feature connected with capacitive touch pen for smartphone, the Company's smartphone strategy will make a progress in the near future.

The chips applied to touch screen for notebook has a leading market share globally, shipments of 2018 shall be higher than 2017. In respect of another core product, the modules and chips applied to touch pad, mainly use in notebook, market share is more than 35% at the moment, total shipments shall rise through enabling two operation systems (Window base & Chrome) and increasing penetration rate, aim to reach 40% of market share.



The Company is an IC design company, the production management is outsourced to the chip-makers, so the Company closely coordinates with the entire supply chain and get their ongoing support to satisfy increasing demand from the customers.

Finally, the Company devotes a lot of resources over the past to enhance product differentiation and build up the well-established patent network, and also the development blueprint. The management team will continue to establish a firm foundation for sustainable and continuing growth in the global market.

Chairman: I. H. Yeh President: I. H. Yeh Accounting Manager: Yi-Lin Chen



Attachment 2

ELAN MICROELECTRONICS CORP.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2017 business report, financial statements and proposal for surplus earnings distribution. The financial statements of ELAN MICROELECTRONICS CORP. were audited by Wey Chuan, Gau and Mei Yu, TSENG, of KPMG. We, as the Audit Committee of the Company, have duly reviewed the financial statements along with the business report and proposal for surplus earning distribution of the Company and do not find any discrepancies. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

ELAN MICROELECTRONICS CORP.

Chairman of the Audit Committee:

March 08, 2018



Attachment 4

ELAN MICROELECTRONICS CORP. 2017 Surplus Earning Distribution Chart

Unit: NT\$

Unappropriated Retained Earnings of Previous Years	164,845
Plus : Actuarial Gain (Loss) on Defined Benefit Plans	35,780,942
Unappropriated Retained Earnings After Adjustment	35,945,787
Plus: Net Income of 2017	1,073,802,333
Subtotal:	1,109,748,120
Minus: Legal Reserve	(110,974,812)
Retained Earnings Available for Distribution	998,773,308
Distribution Item : Cash Dividends to Shareholders (NT\$2.3/Per share)	(998,464,144)
Unappropriated Retained Earnings	309,164
Note: Cash dividends should be rounded down to one NTD, amounts less than one NTD shall be ignored (its abnormal dollars included in the Company's other income).	

Note 1: Upon the approval in the General Shareholders' Meeting, it is proposed that the Board of Directors shall be authorized to determine the ex-dividend record date and payment date.

Note 2: This distribution of earnings' preference is as to 2016 profits.

Note 3: If matters not mentioned herein, the Chairman is fully authorized to proceed on the relevant matters.

Chairman: I. H. Yeh President: I. H. Yeh Accounting Manager: Yi-Lin Chen

Attachment 5

ELAN MICROELECTRONICS CORP.

Table comparing the original and the amended articles of the Company's "Articles of Incorporation"

Amended Article	Original Article	Explanation
<p>Article 2: The company business operations are as follows: I. CC01080 Electronic Parts and Components Manufacturing II. <u>CC01110 Computers and Computing Peripheral Equipments Manufacturing</u> III. <u>CA02990 Other Fabricated Metal Products Manufacturing Not Elsewhere Classified</u> IV. IF401010 International Trade Industry V. F401021 Restricted telecommunication radio frequency equipment and materials import (Research, Development, Production and Sales of the following products: I. Neural-Fuzzy IC II. Digital Signal Processor III. 8-bit RISC Microcontroller IV. Applied Specific Integrated Circuit (ASIC) V. Operate concurrently with our Company's business related Import and Export Trade Business)</p> <p>When the company reinvestment for its limited liability shareholders and the total amount of all its investment exceeds 40% of the paid-up share capital of the company, due to other company business needs, have to apply to</p>	<p>Article 2: The company business operations are as follows: I. CC01080 Electronic Parts and Components Manufacturing II. IF401010 International Trade Industry III. F401021 Restricted telecommunication radio frequency equipment and materials import (Research, Development, Production and Sales of the following products: I. Neural-Fuzzy IC II. Digital Signal Processor III. 8-bit RISC Microcontroller IV. Applied Specific Integrated Circuit (ASIC) V. Operate concurrently with our Company's business related Import and Export Trade Business)</p> <p>When the company reinvestment for its limited liability shareholders and the total amount of all its investment exceeds 40% of the paid-up share capital of the company, due to other company business needs, have to apply to related industries and external warranties from relevant authorities to ensure that financial institutions endorse loan guarantee.</p>	<p>Amendment is made to add new business items.</p>

<p>related industries and external warranties from relevant authorities to ensure that financial institutions endorse loan guarantee.</p>		
<p>Article 17: The Company shall have <u>between seven and nine</u> directors, three supervisors who shall be elected from among the persons with disposing capacity for a term of three (3) years, and shall be eligible for re-election. The above mentioned number of established directors should not be less than two independent directors, and should not be less than one fifth (1/5) of the seated directors. The directors are elected through candidate nomination system in accordance with the provisions of the Company Act, Article 192-1. The applications and declarations for directors' candidate nomination are according to The Company Act and the Securities Exchange Act. Independent directors and directors shall be elected from the same election with separately calculated for independent and non-independent director positions</p>	<p>Article 17: The Company shall have seven directors, three supervisors who shall be elected from among the persons with disposing capacity for a term of three (3) years, and shall be eligible for re-election. The above mentioned number of established directors should not be less than two independent directors, and should not be less than one fifth (1/5) of the seated directors. The directors are elected through candidate nomination system in accordance with the provisions of the Company Act, Article 192-1. The applications and declarations for directors' candidate nomination are according to The Company Act and the Securities Exchange Act. Independent directors and directors shall be elected from the same election with separately calculated for independent and non-independent director positions.</p>	<p>Amendment is made to revise the original seven directors as to between seven and nine directors.</p>
<p>Article 32: These Articles of Incorporation were enacted on April 28, 1994. The 1st Amendment was made on July 14, 1994. 2nd Amendment was made on June 14, 1997. 3rd Amendment was made on May 18, 1998. 4th Amendment was made on June 23, 1999. 5th Amendment was made on March 30, 2000. 6th Amendment was made on June 20, 2001. 7th Amendment was made on June 26, 2002. 8th Amendment was made on June 3,</p>	<p>Article 32: These Articles of Incorporation were enacted on April 28, 1994. The 1st Amendment was made on July 14, 1994. 2nd Amendment was made on June 14, 1997. 3rd Amendment was made on May 18, 1998. 4th Amendment was made on June 23, 1999. 5th Amendment was made on March 30, 2000. 6th Amendment was made on June 20, 2001. 7th Amendment was made on June 26, 2002. 8th Amendment was made on June</p>	<p>Amendment date added.</p>

<p>2003. 9th Amendment was made on June 1, 2004. 10th Amendment was made on June 12, 2006. 11th Amendment was made on June 11, 2007. 12th Amendment was made on June 13, 2008. 13th Amendment was made on June 9, 2010. 14th Amendment was made on June 12, 2012. 15th Amendment was on June 13, 2013. 16th Amendment was made on June 24, 2014. 17th Amendment was made on June 2, 2015. 18th Amendment was made on June 8, 2016. 19th Amendment was made on June 20, 2017. <u>20th Amendment was made on June 21, 2018.</u></p>	<p>3, 2003. 9th Amendment was made on June 1, 2004. 10th Amendment was made on June 12, 2006. 11th Amendment was made on June 11, 2007. 12th Amendment was made on June 13, 2008. 13th Amendment was made on June 9, 2010. 14th Amendment was made on June 12, 2012. 15th Amendment was on June 13, 2013. 16th Amendment was made on June 24, 2014. 17th Amendment was made on June 2, 2015. 18th Amendment was made on June 8, 2016. 19th Amendment was made on June 20, 2017.</p>	
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Appendices

Appendix 1

ELAN MICROELECTRONICS CORP.

Rules and Procedures of Shareholders' Meeting

Article 1: Shareholders' Meeting of the Company, except as otherwise provided in the Act or the Company's articles of Incorporation, according to the rules of the line.

Article 2: The shareholders referred to in these Rules refer to the proxies held by the shareholders themselves and the shareholders entrusted to attend.

Article 3: The registration time, location and other relevant information shall be stated on the meeting notice of Annual General Shareholders' Meeting.
The registration time in the preceding paragraph, shall start at least 30 minutes prior to the Annual General Shareholders' meeting; the place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Attendance should be accompanied by attendance, paid registration card to sign in registration card to the company, deemed registration card contained in the shareholder or agent personally attended, the company does not accept the responsibility. Attendance and voting of the shareholders' meeting, should be based on the calculation of shares.

Article 4: The location where the shareholders' meeting of the Company will be held, at the location where the Company or the Convenience Share is present and suitable for the convening of the Shareholders' Meeting, the meeting should not start at 9 am or later than 3 pm.

Article 5: The Company may assign it attorneys, certified public accountants or related people retained by it to attend the Meeting. The Meeting staff shall wear an identification card or armband.

Article 6: The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act of the Republic of China, the recording shall be retained until the conclusion of the litigation.

Article 7: Has a meeting time, the Chairman shall declare a meeting, but no shareholders who

represent more than half of the total number of issued shares are present, the chairman may announce a postponement of the meeting, the number of delays is limited to two times, the delay time shall not exceed one hour. Delayed two times still insufficient, The chairman must announce to cancel the meeting, but if more than one third of the total number of issued shares is present at the meeting, it shall also be a fake resolution in accordance with Paragraph 1 of Article 175 of the Company Act of the Republic of China, but for the special provisions of the provisions of the company law, its resolution made, should be in accordance with the provisions of the Company Act.

Before the meeting was over, if the number of shares represented by the shareholders is more than half of the total number of issued shares, the chairman will be made a false resolution, in accordance with the provisions of Article 174 of the Company Act of the Republic of China, to the General Assembly.

Article 8: The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda. If the Meeting is convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided as the first paragraph. The chairman may not declare the Meeting adjourned prior to completion of deliberation on the Meeting addenda of preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

After close of the said Meeting, shareholder shall not elect another chairman to hold another Meeting at the same place or at any other place.

Article 9: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that have the floor; the chairman shall stop any violation.

Article 10: A shareholder may not speak more than twice, not exceed 5 minutes each speech on the same proposal under the chairman's permission. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech.

Article 11: Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.

Article 12: After attending the shareholders to speak, the Chairman has personally or appointed the relevant person to reply.

Article 13: The chairman may announce to end the discussion of any resolution and go into voting if

the chairman deems it appropriate.

Article 14: For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Company and stating the scope of the proxy's authorization.

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 this Corporation before 5 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.

After a proxy form has been delivered to this 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 this Company before 2 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.

Article 15: When a meeting is in progress, the chair may announce a break based on time considerations.

Article 16: 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 Article 179, paragraph 2 of the Company Act of the Republic of China.

Except as otherwise provided in the Company Act of the Republic of China and in the Company's 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 chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Company.

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.

The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected.

Article 17: When there is an amendment or an alternative to a proposal, the chairman 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.



Article 18: Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chairman may command 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 shall wear an identification card or armband bearing the word "Proctor."

Article 19: Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairman of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

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 their results, and shall be retained for the duration of the existence of this Company

Article 20: These rules shall be implemented after the adoption of the Shareholders' Meeting, the same as the amendment.

Appendix 2

Articles of Incorporation of ELAN MICROELECTRONICS CORP.

CHAPTER I: General Provisions

Article 1: The Company is organized in accordance with the provisions of the Company Act, and is known as ELAN Microelectronics Corporation.

Article 2: The company business operations are as follows:

- I. CC01080 Electronic Parts and Components Manufacturing
- II. IF401010 International Trade Industry
- III. F401021 Restricted telecommunication radio frequency equipment and materials import
(Research, Development, Production and Sales of the following products:
 - I. Neural-Fuzzy IC
 - II. Digital Signal Processor
 - III. 8-bit RISC Microcontroller
 - IV. Applied Specific Integrated Circuit (ASIC)
 - V. Operate concurrently with our Company's business related Import and Export Trade Business)

When the company reinvestment for its limited liability shareholders and the total amount of all its investment exceeds 40% of the paid-up share capital of the company, due to other company business needs, have to apply to related industries and external warranties from relevant authorities to ensure that financial institutions endorse loan guarantee.

Article 3: The Company set up its head office in the Hsinchu Science-based Industrial Park, when necessary, by resolution of the Board of Directors, may establish branches or offices at home and abroad.

Chapter II: Stocks

Article 5: The total capital of the Corporation shall be NT\$4.8 billion, divided as 480 million shares, with a par value of NT\$10 per share and may be issued in a series of issuance. The un-issued shares may be issued by a resolution of the Board of Directors, if the Board deems it necessary.

A maximum of 45 million shares out of the total number of shares mentioned in the preceding paragraph shall be retained as corporate bonds with attached warrants, preferred shares with warrants, and exercise stock warrants subscription rights.

Article 5.1: Shares bought back by the company shall be transferred to its employees, in accordance with the relevant laws and regulations, and as stipulated at a price lower than the actual average price. The buying back of the shares to be transferred to employees shall be approved by the majority of the shareholders which represented the total number of shares issued, and agreed by more than two thirds of the attending shareholders with voting rights.

When the Company issues employee stock options, in accordance with the relevant laws and regulations, and as stipulated at a price lower than the current market price, and approved by the majority of the shareholders which represented the total number of shares issued, and agreed by more than two thirds of the attending shareholders with voting rights.

Article 6: The Company issues the shares and may be exempted from printing the share certificates, but shall appoint a centralized securities custody enterprise to make recordation of the issue of such shares.

Article 7: Shareholders' name and domicile or residence should be reported to register with the company and fill out a signature card to be sent to the company and be kept in the files for future reference. If the seal is lost, must take a guarantor and in writing report the loss to the company and the company will post on its own site at the current Daily bulletin to nullify it, before replacing it with a new seal.

Article 8: The company Shareholder Services and related operations process the shareholders shares, except otherwise as provided in the law, the Securities Competent Authority, as stipulated in accordance with the Company Act and the company public stock management guidelines governing the processing requirements.

Article 9: —

Article 10: Stock shares re-named or transfer of ownership from shareholders should be within 60 days before the regular shareholders meeting, shareholders in the interim within 30 days before the meeting or the company decides to assign the basis of distribution of dividends and bonus or other benefits to stop or have a cutoff date five days before the meeting.

Chapter III: Shareholders' Meeting

Article 11: Shareholders Meeting shall be of the following two types:
Regular meeting of shareholders shall be convened within six months after the close of each fiscal year
Special meeting or shareholders shall be held when necessary, in accordance with the law.

Article 12: The chairman of the board of directors shall preside the shareholders meeting. In case of absence of the chairman, the chairman of the board of directors shall designate one of the directors to act on his behalf. In the absence of such a designation, the managing directors shall elect from among themselves an acting



chairman of the board of directors.

Article 13: When a shareholder is unable to attend a shareholders' meeting, in accordance with the provisions of the Company Act, Article 177, may appoint a proxy to attend a shareholder's meeting in his behalf by executing a power of attorney.

Article 13.1: A shareholder can exercise his or her voting rights in writing or electronically when the company holds a shareholder meeting. A shareholder exercising voting rights in writing or electronically shall be deemed to have attended the shareholders' meeting in person and waived his or her rights to the extempore motion and amendments to existing proposals at the shareholders' meeting. The shareholder's declaration of intention shall be in accordance with the provisions of the Company Act, Article 177-2.

Article 14: The company shareholders shall have one voting power per share, but in accordance with Article 179 of the Company Act provisions, the shares shall have no voting power.

Article 15: Unless otherwise provided for in the relevant laws, a resolution of a shareholders' meeting shall be adopted with the consent of the shareholders representing a majority of the voting rights at the meeting attended by shareholders holding a majority of the total issued shares.

Article 16: Resolutions adopted at a shareholders' meeting, shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting. The distribution of the minutes of the shareholder's meeting as required in the preceding paragraph may be effected by means of a public notice.

The minutes of the shareholder's meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the Company.

Chapter IV: Directors and Supervisors

Article 17: The Company shall have seven directors, three supervisors who shall be elected from among the persons with disposing capacity for a term of three (3) years, and shall be eligible for re-election. The above mentioned number of established directors should not be less than two independent directors, and should not be less than one fifth (1/5) of the seated directors. The directors are elected through candidate nomination system in accordance with the provisions of the Company Act, Article 192-1. The applications and declarations for directors' candidate nomination are according to The Company Act and the Securities Exchange Act. Independent directors and directors shall be elected from the same election and separately calculating elected numbers.

Section 17.1: The Board of Directors, in conducting the business operations of the company need

to set a Salary Remuneration Committee or other functional committees.

Section 17.2: The Company, in accordance the provisions stipulated by the Securities Exchange Act shall establish an audit committee.

Article 18: When the number of vacancies in the board of directors of a company equals to one third of the total number of the directors, the board of directors shall call, within 60 days, a special meeting of shareholders to elect succeeding directors to fill the vacancies. The term of office shall be limited to fill the original term limit of the incumbent.

Article 19: In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.

Article 20: The board of directors shall elect a chairman from among the directors by a majority vote at a meeting attended by over two-thirds of the directors in accordance with the provisions of the Articles of Incorporation. Convening a board of director's meeting, could be in written form, e-mail or fax notification to every directors. The board of directors taking part in in a meeting via video conference shall be deemed to have attended the meeting in person.

Article 21: The following company management policy should first be approved by the Board of Directors after adoption of a resolution.

Changes to the Article of Incorporation
Setting up or dissolving Branch Offices
Budget Audit and final accounts
Appointment and dismissal of Company visa accountants and lawyers.

The company's reinvestment to other businesses or its shares exceeds the paid-in capital of the company by more than 20% (inclusive), the approved amount of the paid-up capital of 20% or less, the Board Chairman is authorize to handle, but it should be after the most recent Board meeting approval.

Major capital expenditure plans for ratification. Proposed changes in the capital plan.

Company and related parties' major transactions should be approved.

Important contracts or other major matters should be approved.

Other shareholders in accordance with other laws and regulations and those conferred with authority in the shareholders meeting.

Meetings of the board of directors shall be convened by the chairman of the board of directors, except for the first meeting of each term of the board of directors, which shall be convened in accordance with the provisions of the Company Act 203. In case the chairman of the board of directors cannot exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of

directors.

Article 22: Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority vote of the directors present at a meeting attended by at least a majority of the entire directors of the company. When a director is unable to attend, he may appoint a proxy to attend a shareholder's meeting in his behalf by executing a power of attorney printed by the company, stating therein the reasons for convening such a meeting and the scope of power authorized to the proxy. A director may only execute one power of attorney and appoint one proxy only.

Article 23: Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all directors of the company within twenty (20) days after the close of the meeting. The preparation and distribution of the minutes of shareholders' meeting as required in the preceding paragraph may be effected by means of electronic transmission. The minutes of meeting shall record a summary of the essential points of the proceedings and the results of the meeting. The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the company.

Article 24: –

Article 24.1: Remuneration for directors (including independent directors) shall be decided by the Board of Directors base on their contribution and involvement in the operation of the company and by reference of those in similar industries.

The company directors, within their term of office in carrying out their scope of business, in accordance with the law should be liable for their purchased liability insurance, with insurance coverage authorized by the resolutions of the board of directors.

Chapter V: Managers and Staff

Article 25: The Company, in accordance with resolutions of the Board of Directors may establish one chief executive officer, general manager and some vice general managers. Their appointment and discharge is in accordance with Company Act, Article 29 of the Articles of Incorporation.

Chapter VI: Final Accounting

Article 28: The Company shall, at the end the fiscal year, submit the following statements and records to the general meeting of shareholders for approval:

1. Business Report,
2. Financial Statements,

3. Surplus earnings distribution and deficit off-setting plan.

Article 29: The Company shall, after its losses have been covered and all taxes and dues have been paid and at the time of allocating surplus profits, first set aside ten percent (10%) of such profits as a legal reserve.

If there's profit after the company's annual final accounting of revenue and expenditure, in addition to paying business income taxes in accordance with the law and making up for previous years' losses, should first set aside 10% of statutory surplus reserve fund and that year's annual shareholders' equity minus the amount set aside for special profit reserve fund. If there's still a surplus, together with the previous year's accumulated undistributed profit, through the Board meeting resolution, assign a distribution motion or a proposal to be submitted to the shareholders for approval, the allotted proportion are as follows:

1. The retained earnings available for distribution shall not be less than 50% of accumulated undistributed profit.
2. Cash dividends shall not be less than 10% of total dividends.

Chapter VII: Supplementary Provisions

Article 30: The company's organizational rules and office' detailed rules and regulations should be formulated separately.

Article 31: The matters of the statute not subscribed, are noted and handled in accordance with the Company Act and other laws and regulations.

Article 32: These Articles of Incorporation were enacted on April 28, 1994.

The 1st Amendment was made on July 14, 1994.

2nd Amendment was made on June 14, 1997.

3rd Amendment was made on May 18, 1998.

4th Amendment was made on June 23, 1999.

5th Amendment was made on March 30, 2000.

6th Amendment was made on June 20, 2001.

7th Amendment was made on June 26, 2002.

8th Amendment was made on June 3, 2003.

9th Amendment was made on June 1, 2004.

10th Amendment was made on June 12, 2006.

11th Amendment was made on June 11, 2007.

12th Amendment was made on June 13, 2008.

13th Amendment was made on June 9, 2010.

14th Amendment was made on June 12, 2012.

15th Amendment was on June 13, 2013.

16th Amendment was made on June 24, 2014.

17th Amendment was made on June 2, 2015

18th Amendment was made on June 8, 2016.



19th Amendment was made on June 20, 2017.

ELAN Microelectronics Corporation Board Chairman: I. H. Yeh



Appendix3

ELAN MICROELECTRONICS CORP.

Rules for Director and Supervisor Elections

- Article 1 Except as otherwise provided by the Company Act and Securities and Exchange Act or by this Company's articles of incorporation, elections of directors and supervisors shall be conducted in accordance with these Procedures.
- Article 2 The Company's director election shall be held in the annual shareholders' meeting, the Company shall prepare ballots for directors in numbers corresponding to the directors to be elected remarked the number. A shareholder can exercise his or her voting rights in writing or electronically when the company holds a shareholder meeting, the rules for exercises voting right are stated in the notice of the annual shareholders' meeting.
- Article 3 Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders in the Company's director election.
- Article 4 Election of independent directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. The applications and declarations for directors' candidate nomination are according to The Company Act and the Securities Exchange Act.
- Article 5 The cumulative voting method shall be used for election of the directors (including Independent directors) at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. The election of independent and non-independent director shall be elected from the same election with separately calculated for independent and non-independent director positions.
- Article 6 Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes in the Company's Directors election. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 7 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.



- Article 8 The ballot boxes shall be prepared by the Company and publicly checked by the vote monitoring personnel before voting commences.
- Article 9 If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered.
- Article 10 A ballot is invalid under any of the following circumstances:
- (1) The ballot was not throw into the ballot boxes.
 - (2) The ballot was not prepared by the board of directors.
 - (3) A blank ballot is placed in the ballot box.
 - (4) The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
 - (5) Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.
 - (6) The writing is unclear and indecipherable.
 - (7) The account name or account number (or identity card number) of the candidate in addition to the number of voting rights has been altered.
 - (8) The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.
 - (9) The total voting rights of a shareholder balloted exceeds he/she has.
 - (10) The written the number of candidate is more than the number of elected director positions.
- Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of calculation shall be announced by the chair on the site
- Article 12 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Appendix4

All Directors' Shareholdings

I. According to the article 26 of Securities and Exchange Act and Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies of the Republic of China:

- i. The number of issued shares of the Company is 434,114,845.
- ii. The minimum number of shares held by all directors of the Company shall be 16,000,000.

II. As of the book closure date, all board members' shareholdings are as follows:

Title	Name	The Date Being Elected	Term of Office	Shareholders' Register on Book Closure Date	
				Number of Shares (shares)	Shareholding (%)
Chairman	I.H. Yeh The representative of Yu Long Investment Corp.	June 2, 2015	Three Years	9,888,656	2.28%
Director	Kuo-Lung Yen	June 2, 2015	Three Years	2,860,794	0.66%
Director	Ci-Lin Wea The representative of Tsung Long Investment Corp	June 2, 2015	Three Years	4,398,434	1.01%
Director	Te-Chen Chiu	June 2, 2015	Three Years	0	0
Independent Director	Mao-Kuei Lin	June 2, 2015	Three Years	0	0
Independent Director	Hsien-Ming Lin	June 2, 2015	Three Years	0	0
Independent Director	Homing Chen	June 2, 2015	Three Years	0	0
Total shareholding of all directors				17,147,884	3.95%

Note: The shareholder register will be closed from April 13 to June 11, 2018.

Appendix5

Information for Employees' Compensation and Remuneration to Directors

The Company's 2017 surplus earning distribution proposal was approved by the Board of Directors meeting, the employees' compensation as well as the remuneration to directors and supervisors are as follows:

- I. 2017 employees' compensation as well as remuneration to directors and supervisors are as below:
 - i. The employees' compensation: NT\$155,000,000
 - ii. The remuneration to directors: NT\$20,000,000
- II. The employees' compensation as well as the remuneration to directors that the Board of Directors meeting allots, is no difference between the annual estimated payment amounts.

Appendix6

Impact of stock dividend distribution on operation results, earnings per share

The disclosure of the influence of proposed stock dividend distribution upon 2017 operating performance and earnings per share is not applicable.

The Company did not announce any financial forecast for the year of 2018.