

Largan Precision Co., Ltd. Articles of Incorporation

Chapter 1 General Provisions

- Article 1: The Company is incorporated as a company limited by shares under the Company Act of the Republic of China, and its name is 大立光電股份有限公司. The Company's name in English is Largan Precision Co., Ltd.
- Article 2: The Company engages in the following businesses:
1. CE01010 Photographic and optical equipment manufacturing.
 2. CQ01010 Die manufacturing.
 3. F601010 Intellectual property
 4. F113030 Wholesale of precision instruments
 5. F401010 International trade.
 6. I501010 Product designing
 7. CF01011 Medical materials and equipment manufacturing.
 8. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1: The total amount of the Company's investments in other entities may exceed 40% of its paid-in capital, and is not subject to the restriction of total investment amount stipulated in Article 13 of the Company Act.
- Article 2-2: The Company may provide guarantees for companies in the same industry specified above, and provide endorsement and guarantee for loans funded from government authorities and financial institutions when necessary for its operations.
- Article 3: The Company's head office is established in Taichung City. When necessary, the Company may establish branch offices domestically or overseas, subject to resolution by its Board of Directors.
- Article 4: The Company's public announcements shall be made pursuant to Article 28 of the Company Act.

Chapter 2 Shares

- Article 5: The total capital stock of the Company is in the amount of two billion New Taiwan Dollars (NT\$2,000,000,000) divided into 200 million (200,000,000) common shares, at a par value of Ten New Taiwan Dollars (NT\$10) each. The Board of Directors is authorized to issue the shares in multiple installments.
- A total of NT\$100,000,000 totaling 10 million (10,000,000) shares of the aforementioned capital shall be reserved for the issuance of employee stock options at NT\$10 per share, and may be issued in installments upon resolution by the Board of Directors.
- Article 6: The Company's share certificates shall be name bearing, and registered, signed or sealed by the Director representative of the Company. The share certificates shall be issued after certification by banks competent to serve as attestors for the issuance of share certificates.

The Company may be exempted from printing share certificates for the shares issued. The Company not printing its share certificate shall register the issued stock with the securities depository and custodian institution. Requirements in the two preceding paragraphs shall not apply.

- Article 7: The Company shall administer all shareholder services in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" and related regulations.
- Article 8: In the event of reissue of share certificates due to loss or damage, the Company may charge a fee to cover the cost and the applicable stamp duty.
- Article 9: Share transfer registration shall be suspended 60 days prior to the convening date of a regular shareholders' meeting, or 30 days prior to the convening date of a special shareholders' meeting, or 5 days prior to the record date on which dividends, bonuses or other benefits are scheduled for distribution by the Company.
- Article 9-1: Transfer of shares to employees at prices below the Company's actual average repurchase price or issue of employee stock options below the market price (net worth per share) are subject to a shareholders' meeting resolution and must be resolved with the presence of shareholders representing more than one-half of the total number of outstanding shares, and voted in favor by more than two-thirds of votes present.

Chapter 3 Shareholders' Meeting

- Article 10: Shareholders' meeting shall be of two types: general meetings and special meetings. General shareholders' meetings are convened annually within six months after the end of each fiscal year. Special meetings shall be convened according to the law when necessary. The notice for convening a shareholders' meeting shall be given to each shareholders 30 days before a general meeting and 15 days before a special meeting. The date, location, and purpose of the meeting shall be notified to all shareholders. The notices for the shareholders' meeting prescribed in the preceding paragraph may be distributed in electronic form, subject to agreement by the recipient thereof. The Company's shareholders' meetings can be held by video conference or other methods announced by the central competent authority.
- Article 11: A shareholder who cannot attend a shareholders' meeting may appoint a proxy to attend on his/her behalf by executing a power of attorney in accordance with Article 177 of the Company Act.
- Article 12: Where a shareholders' meeting is convened by the Board of Directors, the meeting shall be presided over by the Chairman of the Board. In case of his absence, the Chairman shall designate a Director to act on his behalf. In the absence of such designation, the Directors shall elect one person from among themselves to serve as chairman of the meeting. For shareholders' meetings convened by any other person having the convening right other than the Board of Directors, he/she will act as the chairman of that meeting,

however, if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.

Article 13: All shareholders are entitled to one vote for each share held, except for shares that have no voting power under the circumstances stipulated in Article 179 of the Company Act.

Article 14: Unless otherwise provided for in the Company Act, a resolution shall be adopted if voted in favor by a majority of votes by attending shareholders representing more than one-half of the total number of voting shares.

Article 15: Resolutions made during the shareholders' meeting shall be recorded in the minutes in accordance with Article 183 of the Company Act.

Chapter 4 Directors and Audit Committee

Article 16: The Company shall have seven to nine Directors. The term of office for Directors shall be three years and all shall be eligible for re-election. The total proportion of shares held by all Directors of the Company shall be subject to regulations prescribed by the securities authority.

The Company shall have, among the aforementioned Directors, at least three independent Directors, and the number of Independent Directors shall not be less than one-fifth of the total number of Directors. The Company's Directors shall be elected by the shareholders from among the nominees listed in the roster of candidates based on a candidate nomination system.

The "Directors" referred to in these Articles of Incorporation include Independent Directors.

The candidate nomination system shall be implemented in accordance with Article 192-1 of the Company Act.

Article 16-1: Meetings of the Board of Directors shall be convened quarterly and Directors shall be notified of the purpose of the meeting at least seven days in advance. A meeting may be convened at any time in case of urgent circumstances. The notice for a Board of Directors meeting may be made in writing, or by facsimile, email, or other methods.

Article 17: In the case that the number of vacancies on the Board of Directors reaches one-third of the total number of Directors, then the Board of Directors shall convene, within 60 days, a special shareholders' meeting to elect succeeding Directors or Supervisors to fill such vacancies; the term of office of the newly elected members shall be the same as remaining term of the predecessor.

Article 18: In case election of the Board of Directors cannot be completed before the expiration of the term of office, the term of office for the existing Directors shall be extended until the new Directors elect assume office.

Article 19: The Board of Directors shall be formed by the Directors. The Chairman and Vice Chairman shall be elected by a majority of votes in a meeting attended by over two-thirds of the Directors. The Board of Directors shall execute all matters of the

Company in accordance with applicable laws, regulations, these Articles of Incorporation, and resolutions adopted at shareholders' meeting and by the Board of Directors.

Article 20: The Company's business strategies and other important matters shall be decided by resolutions adopted by the Board of Directors. The first meeting of the Board of Directors for each new term shall be convened in accordance with Article 203 of the Company Act. Other meetings shall be convened and presided over by the Chairman. If the Chairman is unable to perform his/her duties, the Vice Chairman shall act on the Chairman's behalf. If the Vice Chairman is also unavailable or unable to perform his/her duties, the Chairman shall designate one of the Directors to act on his/her behalf. In the absence of such a designation, the Directors shall elect from among themselves an acting Chairman of the Board of Directors.

Article 21: Unless otherwise provided for in the Company Act, the adoption of a resolution at a Board of Directors meeting shall require a majority vote in favor of the resolution by more than one-half of the Directors in attendance of the meeting. If a Director is unable to attend a meeting, he/she may appoint another Director to attend the meeting on his/her behalf by completing the Company's proxy form, specifying the scope of authority with respect to the subjects to be discussed at the meeting. Each Director may act as a proxy for one other Director only.

Article 22: Resolutions adopted at the meeting of the Board of Directors shall be recorded in the minutes and signed or sealed by the Chairman. The minutes shall be distributed to each Director within 20 days after the meeting. The minutes shall include a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept by the Company along with the attendance list with signatures of the Directors in attendance and the proxy authorization forms for proxy attendees.

Article 23: Deleted.

Article 23-1: Directors of the Company shall be entitled to remuneration for their duties regardless of profit or loss. The Board of Directors is authorized to determine the remuneration within the standards for maximum salaries established in the Company's Remuneration Policy based on the level of their participation in the Company's operations and the value of their contribution. The Board of Directors may pay transportation allowances to Directors based on prevailing rates in the industry. Directors of the Company who work in the Company shall be entitled to monthly salaries in accordance with salary standards of regular managerial officers in addition to the Director compensation specified in Article 26 of these Articles of Incorporation.

Article 23-2: The Board of Directors is authorized to take out liability insurance for the Directors with respect to the liabilities resulting from exercising their duties during their term of office to reduce the risk of material damages to the Company and shareholders caused by illegal actions of its Directors.

Chapter 5 Managerial Officers and Staff

Article 24: The Company may appoint a number of managerial officers in accordance with applicable regulations. The appointment, dismissal and compensation of such managerial officers shall be governed by Article 29 of the Company Act.

Chapter 6 Final Accounts

Article 25: The Board of Directors of the Company shall prepare and submit the following documents at the end of each fiscal year to the general shareholders' meeting for adoption, in accordance with regulations:

1. Business report.
2. Financial statements.
3. Proposal Concerning Distribution of Earnings or Offset of Losses

Article 26: In the event the Company makes profits (i.e. profit before tax and before compensation distribution to the employees and Directors) in any fiscal year, it shall set aside 1% to 30% of the profits as employee compensation and no higher than 5% of the profits as Directors compensation. If there are cumulative losses, the Company shall reserve a sufficient amount to offset such losses.

Employee and Directors compensation shall be resolved by a majority vote at a Board of Director meeting attended by two thirds of the total number of Directors and shall be reported to the shareholders' meeting. The Board of Directors may resolve to distribute employee compensation in stocks or cash and the recipients may include employees of subsidiaries of the Company meeting certain requirements set by the Board of Directors.

Article 26-1: The Company's surplus earnings distribution or loss off-setting proposal may be proposed at the close of each half fiscal year.

Where the Company has a profit at the end of each half fiscal year, the Company shall estimate and reserve the taxes to be paid, offset losses according to regulation, estimate and reserve employees and Directors' compensation, and allocate 10% as legal reserve, unless accumulated legal reserve has reached the total paid-in capital. Then, set aside or reverse a special reserve in accordance with relevant regulations or as requested by the competent authorities.

If a surplus remains, the balance combined with undistributed retained earnings from preceding periods shall be distributed according to the distribution plan proposed by the Board of Directors. If distributing in the form of new shares to be issued, the Company shall follow the provisions of Article 240 of the Company Act. If distributing in the form of cash, it shall be approved by the Board of Directors.'

Where there is a profit at the end of each fiscal year, besides payment of income tax and offset of losses in preceding years, the remaining shall be distributed as follows:

1. Allocate 10% as legal reserve, unless accumulated legal reserve has reached the total paid-in capital.

2. Where necessary, set aside or reverse a special reserve in accordance with relevant regulations.

If a surplus remains, the balance combined with undistributed retained earnings from preceding periods shall be distributed according to the distribution plan proposed by the Board of Directors.

If distributing in the form of new shares to be issued, the plan shall be submitted to the shareholders' meeting for approval. If distributing in the form of cash, the Board of Directors shall adopt a resolution by a majority vote at a meeting attended by over two thirds of the Directors and report such distribution to the shareholders' meeting.

Pursuant to Article 241 of Company Act, the Company may distribute its legal reserve and capital reserve, in whole or in part, by issuing new shares or by cash to its shareholders in proportion to the number of shares being held by each of them in the method specified above.

As the Company experiences constant changes in the business environment and is at a stage of stable growth, the Company's dividend policy depends on factors such as future fund requirements, long-term financial plans, future capital expenditures and maximization of shareholder interests. The Company may retain a portion of earnings based on operational requirements and the remaining amount shall be distributed in cash and stock dividends. The amount of dividends distributed to shareholders shall be no less than 10% of distributable earnings of the current year, and no less than 30% of the shareholders' dividends shall be in the form of cash.

Chapter 7 Supplemental Provisions

- Article 27: The internal organizational rules and bylaws of the Company shall be established separately by the Board of Directors.
- Article 28: Matters not addressed in these Articles of Incorporation shall be governed by the Company Act and other applicable regulations.
- Article 29: These Articles of Incorporation were enacted and first amended on April 30, 1987.
The 2nd amendment was made on March 22, 1989.
The 3rd amendment was made on August 30, 1990.
The 4th amendment was made on January 15, 1992.
The 5th amendment was made on July 29, 1992.
The 6th amendment was made on September 29, 1992.
The 7th amendment was made on October 29, 1992.
The 8th amendment was made on May 10, 1993.
The 9th amendment was made on May 22, 1993.
The 10th amendment was made on July 3, 1993.
The 11th amendment was made on March 2, 1994.
The 12th amendment was made on April 20, 1997.
The 13th amendment was made on June 6, 1997.

The 14th amendment was made on July 15, 1997.
The 15th amendment was made on October 15, 1997.
The 16th amendment was made on February 10, 1998.
The 17th amendment was made on June 10, 1998.
The 18th amendment was made on June 30, 1998.
The 19th amendment was made on May 15, 1999.
The 20th amendment was made on July 15, 2000.
The 21st amendment was made on September 23, 2000.
The 22nd amendment was made on July 16, 2001.
The 23rd amendment was made on November 9, 2001.
The 24th amendment was made on June 28, 2002.
The 25th amendment was made on June 9, 2003.
The 26th amendment was made on June 11, 2004.
The 27th amendment was made on June 14, 2005.
The 28th amendment was made on June 14, 2006.
The 29th amendment was made on June 15, 2007.
The 30th amendment was made on June 13, 2008.
The 31st amendment was made on June 10, 2009.
The 32nd amendment was made on June 14, 2010.
The 33rd amendment was made on June 9, 2011.
The 34th amendment was made on June 18, 2012.
The 35th amendment was made on June 10, 2015.
The 36th amendment was made on June 8, 2016.
The 37th amendment was made on June 12, 2018.
The 38th amendment was made on June 12, 2019.
The 39th amendment was made on August 25, 2021.
The 40th amendment was made on June 8, 2022.

These Articles of Incorporation shall be effective and implemented following approval from the shareholders' meeting.

Largan Precision Co., Ltd.

Chairman: En-Chou Lin