

# Article of Incorporation of Kenda Rubber Ind. Co., Ltd.

Resolved on June 30, 2022 at the Annual Meeting of Shareholders

## CHAPTER I General Provisions

Article 1 The Company shall be incorporated, as a company limited by shares, under the Company Act of the Republic of China, and its name shall be 建大工業股份有限公司 in the Chinese language, and KENDA RUBBER IND. CO., LTD., in the English language.

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

1. C804010 Tyres Manufacturing.
2. CD01050 Bicycles and Parts Manufacturing.
3. C805070 Reinforced Plastic Products Manufacturing.
4. CB01010 Mechanical Equipment Manufacturing.
5. F401010 International Trade.
6. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
7. F114040 Wholesale of Bicycle and Component Parts Thereof.
8. F114050 Wholesale of Tires.
9. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
10. F214040 Retail Sale of Bicycle and Component Parts Thereof.
11. F214050 Retail Sale of Tires.
12. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The total amount of the Company's reinvestment in other companies shall not be subject to the restriction of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Act.

Article 4 The Company is located in Changhua County, Taiwan, and may establish branches, offices or sales offices in Taiwan and abroad by resolution of the Board of Directors, if necessary.

Article 5 Any and all public announcements to be made by the Company shall comply with Article 28 of the Company Act.

Article 5-1 The Company may act as guarantor for the purposes of providing guarantees among the Associates.

## Chapter 2 Capital Stock

Article 6 The total capital of the Company is set at NT\$11 billion, divided into 1,100 million shares at NT\$10 each, of which the unissued shares are authorized to be issued by the Board of Directors in installments.

Article 7 The share certificates of the Company shall be in the form of name-bearing certificates, shall be affixed with the signatures or personal seals of the director representing the Company,

and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before the issuance thereof.

The Company may issue shares without printing share certificate(s), provided that the Company shall register the issued shares with a centralized securities depository enterprise.

Article 8 All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of seal, change of address or similar stock transaction conducted by shareholders of the Company and exercising all the rights of the shareholders shall follow the “Regulations Governing the Administration of Shareholder Services of Public Companies” unless specified otherwise by law and securities regulations.

Article 9 No share shall be transferred within 60 days prior to the convening date of a regular shareholders’ meeting, or within 30 days prior to the convening date of a special shareholders’ meeting, or within 5 days prior to the record date fixed by the Company for distribution of dividends, bonus or other benefits.

### **CHAPTER 3 Shareholders’ Meeting**

Article 10 The Company has two kinds of shareholders’ meetings: regular and special meetings. Regular meetings are held once a year, and shall be convened within six months after the close of the fiscal year with 30 days’ notice to shareholders; special meetings shall be convened when necessary with 15 days’ notice to shareholders.

The preceding notice shall indicate the date and venue and the cause(s) or subject(s) of a meeting of shareholders to be convened.

A shareholders’ meeting shall, unless otherwise provided for in the Company Act, be convened by the Board of Directors.

The shareholders’ meetings can be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 11 If a shareholder is unable to attend a shareholders’ meeting for any reason, in addition to the provisions of Article 177 of the Company Act, the “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies” promulgated by the competent authority shall be followed.

Article 12 The chairman shall chair the shareholders’ meeting. When the chairman of the board is on leave or is unable to perform the duties of the chairman, the vice chairman shall act in place of the chairman; if the vice chairman also is on leave or is unable to perform the duties of the vice chairman, the chairman shall appoint one of the directors to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

Article 13 Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Article 14 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 minutes of shareholders' 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 preceding minutes shall be distributed in accordance with the provisions of the Companies Act.

#### **CHAPTER 4 The Board of Directors and Committees**

Article 15 The Company shall have seven to eleven Directors who shall be elected by the shareholders' meeting from among the persons with disposing capacity. All terms of office are for three years and the directors are eligible for re-election.

Of the preceding number of directors, at least three shall be independent directors; the election of directors shall be conducted by the candidate nomination system in accordance with Article 192 of the Company Act.

The election of independent directors and non-independent directors shall be held together; provided, however, that the number of independent directors and non-independent directors elected shall be calculated separately.

Matters regarding professional qualification, shareholdings, restrictions on concurrent positions held, method of nomination and election and other matters for compliance with respect to independent directors shall be subject to the regulations prescribed by the securities governing authorities.

The total registered shares owned by the directors of the Company are determined in accordance with the standards set forth in the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" promulgated by the Securities and Futures Bureau of the Financial Supervisory Commission, Executive Yuan.

Article 16 When the number of vacancies in the Board of Directors of a company equals one-third of the total number of directors, the Board of Directors shall call a special meeting of shareholders to elect succeeding directors to fill the vacancies. The new Directors shall serve the remaining term of the predecessors

- Article 17 The Board of Directors shall be constituted by the Directors and shall elect from among themselves a Chairman and a Deputy Chairman. The Chairman shall represent the Company externally. If the Chairman of the Board of Directors is unable to exercise his or her duties and responsibilities for any reason, the Vice Chairman shall act in place of the Chairman; if the Vice Chairman also is unable to exercise his or her duties and responsibilities for any reason, the Chairman of the Board of Directors shall designate one of the Directors to act on his or her behalf, or if no such designation is made, the Directors shall elect one from among themselves to act as Chairman.
- Article 17-1 The Board of Directors meeting of the Company shall be convened quarterly and the reasons for calling a Board of Directors meeting shall be notified to each director at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice. The preceding notice of convening a meeting shall state the reason in writing, and may be made by electronic means such as email or facsimile.
- Article 18 The Board of Directors' meeting shall be convened by the Chairman of the Board to determine the Company's business policies and other important matters. The Chairman of the Board shall be the Chair of the meeting; when the Chairman is absent, the provisions of Article 17 shall apply. Other important matters referred to in the preceding paragraph include the acquisition and disposal of the Company's general assets and real estate, and the provision of guarantees for the associates.
- Article 19 The resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.
- Each director shall attend the meeting of the Board of Directors in person. However, if the Director is unable to attend the meeting due to special circumstances, such director may designate another director to attend as a proxy. In case a meeting of the Board of Directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.
- In case a director appoints another director to attend a meeting of the Board of Directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting.
- A director may accept the appointment to act as the proxy referred to in the preceding Paragraph of one other director only.
- Article 20 The Company has established an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee shall consist of all independent directors.

The number, term of office, powers and rules of procedure of the Audit Committee shall be in accordance with the Company's Audit Committee Charter.

Article 21 The Audit Committee or members of the Audit Committee are responsible for carrying out the powers conferred by the Company Act, the Securities and Exchange Act, any other law to be exercised by supervisors.

Article 22 The Directors of the Company shall be entitled to receive remuneration and allowances at such level as generally adopted by the enterprises of the same industry, no matter whether the Company is in a loss or not, as the shareholders may authorize the Board to determine the amount of such remuneration and allowances.

#### **CHAPTER 5 Managerial Personnel**

Article 23 The Company shall have one President and several Managers who shall be decided by a resolution to be adopted by a majority vote of the directors at a meeting of the Board of Directors attended by at least a majority of the entire directors of the company.

Article 24 The remuneration to the President and the Managers shall be decided by a resolution to be adopted by a majority vote of the directors at a meeting of the Board of Directors attended by at least a majority of the entire directors of the company.

Article 25 The President shall conduct the daily operations as ordered by the Chairman and by resolution of the Board of Directors for the Company.

#### **CHAPTER 6 Accounting**

Article 26 The Company's fiscal year shall commence on January 1 and end on December 31. At the close of each fiscal year, the Board of Directors shall prepare and submit the following statements to the general meeting for acceptance.

1. The business report.
2. Financial statements.
3. Proposal of surplus earning distribution or loss off-setting.

Article 27 If there are any retained earnings in the year-end, the Company shall first pay tax and make up for the accumulated deficits, and then set aside 10% of such earnings as a legal reserve, unless the legal reserve has reached the Company's total capital. If necessary, the special reserve shall be set aside or reversed as required by law or by the competent authority.

The Company will take into account the environment and growth of the Company, its future capital requirements and long-term financial planning, as well as the shareholders' need for cash, and will propose by the Board of Directors, together with the accumulated undistributed earnings from the previous year, to set aside 10% to 80% of the available earnings for distribution. When new shares are issued, a resolution shall be submitted to the shareholders'

meeting to distribute dividends to shareholders. However, the ratio of new shares to be issued for the earnings distribution may be adjusted by a resolution of the shareholders' meeting, depending on the actual profitability and capital position of the year; of which the cash dividends shall not be less than 10% of the total dividends. The Company authorizes the Board of Directors, with the presence of at least two-thirds of the Directors and a resolution of a majority of the Directors present, to distribute all or part of the dividends and bonuses, legal reserve and capital reserve in the form of cash and report the same to the shareholders' meeting.

Article 27-1 The Company shall distribute remuneration to its employees at a rate of not exceeding 0.5% of the profit for the year.

The Company shall distribute the Directors' remuneration not exceeding 3% of the profit for the year.

Where the Company has accumulated losses as provided in the preceding two paragraphs, an amount to cover the losses shall first be set aside.

Employees' remuneration may be paid in shares or in cash to employees of the Company and to employees of controlled or associated companies who meet certain requirements as determined by the Board of Directors.

The earnings for the year referred to in paragraphs 1 and 2 are the earnings before taxation for the year excluding the remuneration to employees and directors.

The distribution of remuneration to employees and directors shall be resolved by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

## **CHAPTER 7 Supplemental Provisions**

Article 28 The Company's charter and operational regulations shall be separately adopted by the Board of Directors.

Article 29 Matters not addressed by these Articles of Incorporation shall be governed by the Company Act and other applicable laws and regulations.

Article 30 These Articles of Incorporation were first adopted on March 1, 1962 and were first amended on March 20, 1966. The 2nd Amendment was made on March 26, 1967. The 3rd Amendment was made on December 30, 1967. The 4th Amendment was made on March 5, 1970. The 5th Amendment was made on October 22, 1973. The 6th Amendment was made on November 15, 1974. The 7th Amendment was made on November 15, 1975. The 8th

Amendment was made on April 12, 1977. The 9th Amendment was made on July 15, 1978. The 10th Amendment was made on July 15, 1979. The 11th Amendment was made on June 15, 1980. The 12th Amendment was made on July 30, 1981. The 13th Amendment was made on June 17, 1984. The 14th Amendment was made on February 10, 1985. The 15th Amendment was made on May 25, 1986. The 16th Amendment was made on June 15, 1988. The 17th Amendment was made on June 30, 1988. The 18th Amendment was made on August 1, 1989. The 19th Amendment was made on March 20, 1990. The 20th Amendment was made on May 3, 1991. The 21st Amendment was made on May 16, 1992. The 22nd Amendment was made on May 4, 1993. The 23rd amendment was made on June 7, 1994. The 24th Amendment was made on June 15, 1995. The 25th Amendment was made on May 29, 1996. The 26th Amendment was made on May 23, 1997. The 27th Amendment was made on May 16, 1998. The 28th Amendment was made on May 23, 2000. The 29th Amendment was made on May 25, 2001. The 30th Amendment was made on June 11, 2002. The 31st Amendment was made on June 20, 2003. The 32nd Amendment on June 15, 2004. The 33rd Amendment was made on May 26, 2005. The 34th Amendment was made on June 14, 2006. The 35th Amendment was made on June 21, 2007. The 36th amendment was made on June 13, 2008. The 37th amendment was made on June 16, 2009. The 38th amendment was made on June 15, 2010. The 39th amendment was made on June 15, 2011. The 40th amendment was made on June 13, 2012. The 41st amendment was made on June 27, 2013. The 42nd amendment was made on June 24, 2014. The 43rd amendment was made on June 23, 2015. The 44th amendment was made on June 14, 2016. The 45th amendment was made on June 15, 2017. The 46th amendment was made on June 11, 2018. The 47th Amendment was made on June 11, 2019. The 48th Amendment was made on June 16, 2020. The 49th Amendment was made on August 31, 2021, and the 50th Amendment was made on June 30, 2022. These Articles of Incorporation shall be effective as of the date of adoption by the shareholders' meeting.