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TONS LIGHTOLOGY Inc.

Handbook for the 2023 Annual Meeting of Shareholders

MEETING TIME : May 25, 2023

PLACE : No. 88, Minguan Road., Banqiao Dist., New

Taipei City, Taiwan

(TAIPEI SINBAN Hilton 3F Meeting Room-4)

---Disclaimer---

THIS IS A TRANSLATION OF THE AGENDA FOR THE 2023 ANNUAL GENERAL SHAREHOLDERS' MEETING ("THE AGENDA") OF TONS LIGHTOLOGY Inc. ("THE COMPANY"). THE TRANSLATION IS INTENDER FOR REFERENCE ONLY AND NO OTHER PURPOSE. THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE AGENDA SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

Table of Contents

One. Meeting Procedure.....	1
Two. Meeting Agenda.....	2
I. Management Presentation.....	4
II. Approval Items.....	8
III. Elections	9
IV. Discussion	10
V. Motions.....	16
VI. Adjournment.....	16
Three. Attachments	
1 、 Business Report.....	17
2 、 Audit Committee’s Report.....	20
3 、 Statements of Remuneration of Individual Directors.....	21
4 、 Review Report of the Proposal of M&A and Share Swap.....	22
5 、 Independent Auditor’s Report and the 2022 Financial Statements.....	23
6 、 Statements of Retained Earnings.....	47
7 、 List of Candidates for the 11th Directors (including Independent Directors).....	48
8 、 Articles of Incorporation Amendment before and after...	51

9、Fairness Opinions on Merger and Proportion of Stock Swap.....	54
10、M&A and share swap contract.....	88

Four. Appendix

1、Rules of Procedure for Shareholder Meetings.....	187
2、Articles of Incorporation(before Amendments).....	202
3、Regulations Governing the Election of Director.....	209
4、Current Shareholdings of Directors.....	212
5、The proposals of the shareholders who hae more than 1% shareholding of the Company's outstanding shares....	213

Tons Lightology Inc.

Procedure for the 2023 Annual Meeting of Shareholders

I. Call the Meeting to Order

II. Chairperson Remarks

III. Management Presentation

IV. Approval Items

V. Elections

VI. Discussion

VII. Motions

VIII. Adjournment

Tons Lightology Inc.

Year 2023

Agenda of Annual Meeting of Shareholders

Method: Hybrid Shareholders' Meeting

Video conferencing: via TDCC's stockvote platform

(<https://www.stockvote.com.tw/evote/index.html>)

Time: May 25, 2023 (Thursday) at 9:00 am

Place: No. 88, Minquan Road., Banqiao Dist., New Taipei City, Taiwan

(TAIPEI SINBAN Hilton 3F Meeting Room-4)

I. Call the Meeting to Order

II. Chairperson Remarks

III. Management Presentation

1. 2022 Business Report.
2. Audit Committee Examination Report on the 2022 Financial Statements.
3. The remuneration to employees and directors report.
4. Directors and managers' performance evaluation results and relevance and rationality report on their salary remuneration.
5. Report on remuneration of individual directors.
6. Report on 2022 cash dividend payout case.
7. The Audit Committee has reviewed the report on the results of the Company and its wholly-owned subsidiary TONS LIGHTOLOGY (CAYMAN) INC. proposed M&A and share swap with StrongLED Lighting Systems (Cayman)Co., Ltd. (the M&A).

IV. Approval Items

1. Adoption of the 2022 Business Report and Financial Statements.
2. Adoption of the Proposal for Distribution of 2022 Profits.

V. Election

1. The case to vote 7 members of the board (including 3 independent members of the board).

VI. Discussion

1. Amendments to the Company's Articles of Incorporation.
2. Proposal for the release of new directors from non-competition restrictions.
3. Proposal of the M&A and share swap with StrongLED Lighting Systems(Cayman) Co., Ltd. by the Company and its wholly-owned subsidiary TONS LIGHTOLOGY (CAYMAN) INC..
4. Proposal of the M&A and share swap with StrongLED Lighting Systems(Cayman) Co., Ltd. by the Company and its wholly-owned subsidiary TONSLIGHTOLOGY (CAYMAN) INC. to increase the capital to issue common shares of the Company.

VII. Motions

VIII. Adjournment

Management Presentation

Report 1

2022 Business Report.

Explanation: Please refer to the Agenda Handbooks for the 2022 Business Report [Attachment 1].

Report 2

Audit Committee Examination Report on the 2022 Financial Statements.

Explanation: Please refer to the Agenda Handbooks for the 2022 Financial Statements Examined by the Audit Committee [Attachment 2].

Report 3

The distribution of remuneration to the employees and directors.

Explanation:

- I. The Article 23.1 of the Company's Articles of Incorporation "appropriating 5~15% of the annual earnings, if any, as remuneration to employees and appropriating less than 2.5% of the annual earnings as remuneration to directors".
- II. For the 2022 net income before tax and before deducting the remuneration to employees and directors, appropriate 9.0% of such amount (equivalent to NT\$6,366,000) as remuneration to employees and appropriate 1.5% of such amount (equivalent to NT\$1,060,000) as remuneration to directors paid in cash.
- III. The appropriated remuneration to employees and directors was the same amount of the expense recognized in 2022.

Report 4

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

Explanation:

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

for the calculation of salary and compensation according to the performance evaluation of employees.

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

Report 5

Report on remuneration of individual directors.

Explanation:

- I. The directors' remuneration policy, standard, and structure are as follows:
- (I) Directors: According to the Articles of Incorporation, up to 2.5% of the profit of the current year shall be distributed as directors' remuneration, which shall be submitted to the Board of Directors for resolution and reported in the shareholders' meeting. The calculation for separate remuneration paid to each director is stipulated in the "Regulations Governing the Remuneration and Rewards of Directors" based on the individual performance of directors appraised with the "Regulations Governing Performance of the Board of Directors" and each director's involvement in and contribution to business operations after the submission at the shareholders' meeting and submitted to the Remuneration Committee for review. After the resolution is passed by the Board of Directors, remuneration shall be paid to each director.
 - (II) Independent directors: Remuneration for independent directors shall be distributed in accordance with the "Regulations Governing the Remuneration and Rewards of Directors" approved by the Board of Directors and may be adjusted based on the industry standards and independent directors' involvement in and contributions to business operations. When independent directors and board committee members perform their duties, the Company shall pay remuneration regardless of its operating profit or loss.
 - (III) Directors attending meetings in person may be granted transportation allowances.
- II. For the remuneration of individual directors 2022, please refer to [Attachment 3] of this Handbook.

Report 6

Report on 2022 Cash Dividend Payout case.

Explanation:

- I. This case is handled in accordance with Article 24 of the Articles of Incorporation.
- II. The Company plans to distribute cash dividends at the amount of NT\$63,172,795 for the year of 2022. After 500,000 shares repurchased by the Company is deducted from 39,495,553 outstanding shares as of today, a total of 38,995,553 shares are to be distributed with cash dividends at NT\$1.62 per share. Cash dividends are distributed according to the shares held in the shareholder registry on the record date. Cash dividends are rounded up to dollar. The Chairman is authorized to determine the disposal of less than NT\$1 at his discretion.
- III. The ex-dividend date is set on March 31, 2023, and the book closing period is set from March 27 to March 31, 2023.
- IV. Cash dividends are set to be issued on April 20, 2023.
- V. When there is any change in the Company's outstanding shares; the Chairman is authorized to adjust the dividend per share in accordance with the actual outstanding shares on the ex-dividend date.
- VI. The Chairman is authorized to handle other unspecified matters at his discretion.

Report 7

The Audit Committee has reviewed the report on the results of the Company and its wholly-owned subsidiary TONS LIGHTOLOGY (CAYMAN) INC. proposed M&A and share swap with StrongLED Lighting Systems (Cayman)Co., Ltd. (the M&A).

Explanation:

- I. In reference to Paragraph 1, Article 6 of the Business Mergers and Acquisitions Act, the fairness and reasonableness of the plan and transaction of this M&A proposal are reviewed by the Audit Committee.
- II. In accordance with Article 6 of the Business Mergers and Acquisitions Act and Articles 2 and 6 of the Regulations Governing the Establishment and Related Matters of Special Committees of Public Companies for Merger/Consolidation and Acquisition, the functions of the Special Committee for merger /consolidation and acquisition is

exercised by the Audit Committee.

III. The Audit Committee agrees with the Fairness Opinion provided by the independent expert on the M&A and the Share Exchange Ratio of Share Swap. For the results of review for the fairness and reasonableness of this M&A proposal, please refer to [Attachment 4] of this Handbook.

Approval Items

Proposal 1

Proposed by the Board

Adoption of the 2022 Business Report and Financial Statements.

Explanation:

- I. The Company's 2022 business report and financial statements had been prepared accordingly, of which, the financial reports (including the consolidated financial statements) and the business report were examined by the Audit Committee with a written examination report issued.
- II. Please refer to [Attachment 1] of the Agenda Handbooks for 2022 business report and [Attachment 5] for the 2022 independent auditor's report and financial statements.
- III. Please adoption.

Resolution:

Proposal 2

Proposed by the Board

Adoption of the Proposal for Distribution of 2022 Profits.

Explanation:

- I. The 2022 Profit Distribution Table has been adopted in the 18th meeting of the 10th-term Board of Directors.
- II. Please refer to [Attachment 6] of the Agenda Handbooks for the 2022 Profit Distribution Table.
- III. Please adoption.

Resolution:

Elections

Election 1

Proposed by the Board

The case to vote 7 members of the board (including 3 independent members of the board). Please proceed to the election.

Explanations :

- I. The term of the 10th directors will be expired on May 27, 2023. According to the Company Act and the Company's articles of incorporation, 7 members of the board for the 11th directors (including 3 independent members of the board) shall be elected.
- II. According to Article 14 of the Company's articles of incorporation, directors are nominated as candidates for the election of directors. For the candidates and their educational background, work experience, and the number of shares held, please refer to [Attachment 7] of this Handbook.
- III. In response to the election of directors in 2023 general shareholders' meeting, the 10th directors will leave their office after the general shareholders' meeting on May 25, 2023.
- IV. The term of new directors starts from May 25, 2023 and ends on May 24, 2026, with a term of 3 years.
- V. Please proceed to the election.

Resolution :

Discussion

Proposal 1

Proposed by the Board

Amendments to the Company's Articles of Incorporation. Please proceed to discuss.

Explanations:

- I. In order to cooperate with the company's long-term development, it is proposed to amend the total rated capital described in the Company's Articles of Incorporation to NT\$800,000,000, which is divided into 80,000,000 shares for the conversion of issuance of share subscription warrant for employees. Thus, Article 4 of the Company's Articles of Incorporation is amended.
- II. In order to cooperate with the amendment of Article 6 of the Business Mergers and Acquisitions Act, Article 6 of the Company's Articles of Incorporation is amended.
- III. For the amendments before and after, please refer to [Attachment 8] of this Handbook.

Resolution:

Proposal 2

Proposed by the Board

Proposal for the release of new directors from non-competition restrictions. Please proceed to discuss.

Explanations:

- I. The Company shall act in accordance with Paragraph 1, Article 209 of the Company Act, "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval."
- II. If the Company's directors invest in or operate companies having the same or similar scope of business with the Company and act as the directors of such companies, the release of directors from non-competition restrictions shall be proposed in the shareholders' meeting for approval.
- III. The release of directors (including independent directors) from non-competition restrictions is described as follows:

Post	Name	Posts Concurrently held in Other Companies
Director	TANG, SHIH-CHUAN	Art So Trading Ltd. / Director Artso International, Inc. / Director
Director	HSIAO, CHEN-CHI	Honmyue Enterprise Co. Ltd. / Independent Director United Recommend International Co., Ltd. / Independent Director Horizon Securities Co., Ltd. / Independent Director Yao I Fabric Co., Ltd. / Independent Director Ruopu Construction and Development Co., Ltd. / Supervisor Yeong Chin Machinery Industries Co. Ltd. / Supervisor Plum-Monix Industry Co., Ltd./ Director
Independent Director	CHOU, LIANG-CHENG	Shih-Kuen Plastics Co., Ltd. / Independent Director Chenming Technology Co. / Independent Director Addcn Technology Co., Ltd / Director
Independent Director	CHOU, TSUNG-NAN	Khgears International Limited/ Independent Director Edison Opto Corporation/ Independent Director

Resolution:

Proposal 3

Proposed by the Board

Proposal of the M&A and share swap with StrongLED Lighting Systems(Cayman) Co., Ltd. by the Company and its wholly-owned subsidiary TONS LIGHTOLOGY (CAYMAN) INC.

Explanations:

I. In consideration of the Company's future development, integration of resources of both Parties, and the enhancement of the Company's competitiveness, the Company will conduct mergers and acquisitions and share swap with StrongLED Lighting Systems(Cayman) Co., Ltd. (hereinafter "StrongLED") in accordance with the following structure and procedures (hereinafter as "this M&A Proposal").

1. The Company has established a wholly-owned subsidiary, TONSLIGHTOLOGY (CAYMAN) INC. in Cayman (hereinafter

referred to as TONS (CAYMAN)).

2. TONS (CAYMAN) will merge with the StrongLED. After the merger, StrongLED is the surviving company and TONS (CAYMAN) is the dissolved company. The Company will issue new shares as consideration, exchange 1 common share issued by the Company for 1.72 shares of StrongLED's common share and acquire 100% equity of StrongLED (the transaction of this M&A Proposal is essentially equivalent to the Share Exchange regulated by Law of Taiwan). After the completion of this transaction, StrongLED will become a wholly-owned subsidiary of the Company.
- II. The consideration of this M&A Proposal is to exchange 1 common share of the Company for 1.72 shares of StrongLED's common share. The Company will issue new shares to the shareholders of StrongLED. The abovementioned share exchange ratio is made based on the financial statements audited and attested of by a certified public accountant as of December 31, 2022, and the financial statement by each of the companies themselves as of February 28, 2023, and takes into consideration of the factors of stock price per share, book value per share, revenue, enterprise value and the operating conditions along with the future prospects and etc., and also takes into consideration of the "Fairness Opinions on Merger and Proportion of Stock Swap" provided by the independent expert, please refer to [Attachment 9] of this Handbook.
 - III. The reference date of this M&A and Share Swap is tentatively set as October 31, 2023, but the board of directors may be authorized to change the reference date depending on the progress of this M&A Proposal.
 - IV. With regard to this M&A Proposal, unless otherwise stipulated in the M&A and Share Exchange Agreement, it is proposed to authorize the Chairman and/or the person designated by him to handle relevant matters and sign all relevant documents with full discretion.
 - V. If the change of this M&A Proposal is necessary by the reason of there are matters not covered in M&A and Share Exchange Agreement, the number of parties participating in the transaction is reduced, regulations of relevant laws, instructions by relevant competent authorities, or changes in the objective environment, it is proposed to request the meeting of

shareholders to agree to authorize the board of directors of the Company to handle it, and may handle it directly in accordance with laws and regulations and administrative guidance.

VI. For the “M&A and Share Exchange Agreement” for this M&A Proposal, please refer to [Attachment 10] of this Handbook.

VII. In accordance with the regulations of Paragraph 3, Article 5 of the Business Mergers and Acquisitions Act, “In the merger/consolidation and acquisition by a company, a director who has a personal interest in the transaction of merger/consolidation and acquisition shall explain to the Board meeting and the general meeting the essential contents of such personal interest and the cause of approval or dissent to the resolution of merger/consolidation or acquisition.”, directors of the Company explain the related items as follows.

The spouse and children of the Chairman of the Company, TANG, SHIH-CHUAN, hold a total of 1,014,000 shares of StrongLED (about 2.74% of the shares). Considering that the completion of this M&A Proposal can enhance the company’s operating profits and integrate resources, the Chairman of the Company, TANG, SHIH-CHUAN, agrees this proposal. Since this M&A Proposal is in the best interests of the Company, and the spouse and children of Chairman of the Company, TANG, SHIH-CHUAN, hold a small proportion of the shares of StrongLED, and no special acquirement, loss and alternation of rights will be caused by this M&A Proposal for them, the participation of Chairman of the Company, TANG, SHIH-CHUAN, in the discussion and voting of this Proposal is tentatively unlikely to damage the interest of the Company, which may derive the consideration of recusal. So, his right of voting may still be exercised.

The spouse and children of the Director of the Company, HUNG, CHIA-CHENG, hold a total of 14,000 shares of StrongLED (about 0.04% of the shares). Considering that the completion of this M&A Proposal can enhance the company’s operating profits and integrate resources, Director of the Company, HUNG, CHIA-CHENG, agrees this proposal. Since this M&A Proposal is in the best interests of the Company, and the spouse and children of Director of the Company,

HUNG, CHIA-CHENG, hold a small proportion of the shares of StrongLED, and no special acquirement, loss and alternation of rights will be caused by this M&A Proposal for them, the participation of Director of the Company, HUNG, CHIA-CHENG, in the discussion and voting of this Proposal is tentatively unlikely to damage the interest of the Company, which may derive the consideration of recusal. So, his right of voting may still be exercised.

The Director of the Company, CHOU LIANG-CHEN, hold a total of 6,000 shares of StrongLED (about 0.01% of the shares). Considering that the completion of this M&A Proposal can enhance the company's operating profits and integrate resources, Director of the Company, CHOU LIANG-CHEN, agrees this proposal. Since this M&A Proposal is in the best interests of the Company, and the Director of the Company, CHOU LIANG-CHEN, hold a small proportion of the shares of StrongLED, and no special acquirement, loss and alternation of rights will be caused by this M&A Proposal for him, the participation of Director of the Company, CHOU LIANG-CHEN, in the discussion and voting of this Proposal is tentatively unlikely to damage the interest of the Company, which may derive the consideration of recusal. So, his right of voting may still be exercised.

Resolution:

Proposal 4

Proposed by the Board

Proposal of the M&A and share swap with StrongLED Lighting Systems(Cayman) Co., Ltd. by the Company and its wholly-owned subsidiary TONSLIGHTOLOGY (CAYMAN) INC. to increase the capital to issue common shares of the Company.

Explanations:

- I. In This M&A Proposal, 1 common share issued by the Company will be exchanged for 1.72 common shares of StrongLED, and new shares will be issued to shareholders of StrongLED other than the Company. If the number of shares to be exchanged according to the share exchange ratio is less than one share (i.e. fractional shares), the Company shall pay in cash (rounded down to NT\$1) in the proportion of the closing market price of the Company on the business day before the reference date, and Chairman

of the Company authorized to purchase those shares through specified personnel by the closing market price of the Company on the business day before the reference date. If it is necessary to change the method of handling for fractional shares in accordance with the regulations of laws or operational needs, it is proposed to authorize the Chairman, or the person designated by him to handle it with full discretion.

II. Due to this M&A Proposal, the Company expects to issue a total of 18,389,534 new common shares to all shareholders other than the Company listed in the shareholder list of StrongLED, with the denominated value NT\$10 per share. The total amount of newly issued shares is estimated to be approximately NT\$183,895,340. However, the actual total number of new shares to be issued shall be calculated based on the actual total number of issued shares of StrongLED on the reference date, after deducting the shares of StrongLED held by the Company and the shares of StrongLED that shall be eliminated on the reference date or in accordance with other regulations of laws.

III. The rights and obligations of the new common shares issued due to the Share Exchange are the same as those of the previously issued shares.

IV. If it is not in accordance with the expressive stipulation of the M&A and Share Exchange Agreement, relevant laws or the requests of the competent authority, the company and StrongLED shall not adjust the share exchange ratio of this M&A Proposal. If the above-mentioned conditions which cause the requirement of adjusting the share exchange ratio exists and the adjustment is necessary, it is proposed to be submitted to the meeting of shareholders to authorize the board of directors to make the adjustment and make an announcement, and the number of new shares to be issued will also be adjusted accordingly.

V. For the matters not covered for the proposal of issuance of new shares of this M&A Proposal, unless otherwise stipulated in the M&A and Share Exchange Agreement, it is proposed to authorize the Chairman and/or the personnel designated by him to handle relevant matters with full discretion.

Resolution:

Motions

Adjournment

[Attachment 1]

Tons Lightology Inc.

The 2022 Business Report

Since the outbreak of the Russia-Ukraine war at the beginning of this year, inflation has been rising steadily, and major countries have raised interest rate, which caused the global economy in 2022 to become more recessionary. However, with the ease of the pandemic and inflation recently, and with the ease of multiple unfavorable factors, it is expected that the economy will grow steadily and slowly in 2023.

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

Overall, the revenue of the company reduced in 2022 due to fierce market competition and changing environmental conditions such as wars, inflation, and interest rate hikes. However, with the support of all shareholders and the efforts of all colleagues, the Company still maintains certain profit. We would like to show our appreciation for the support of the shareholders on behalf of the Board of Directors of the Company. The Company's 2022 business operation and 2023 operational plans are briefed as follows.

I. The 2022 business operation

(I) Operating plan results and operating income and expense

In 2022, the Company's individual and consolidated net operating revenue were NT\$788,393 thousand and NT\$913,801 thousand respectively, decrease of 14.52% and 13.11% respectively compared with NT\$922,353 thousand and NT\$1,051,699 thousand in 2021. The Company's individual and consolidated net income after tax were the same as NT\$52,394 thousand, a decrease of 45.40% (NT\$43,578 thousand) compared with NT\$95,972 thousand in 2021.

(II) Profitability analysis

The Company's operating revenue in 2022 was less than that in 2021, which influenced the cost allocation for production / manufacture at the

same time an caused the gross profit decreased slightly; with the proper control of operating expenses, the operating profit margin remained at 9.46%. Due to an increase in non-operating losses, the consolidated net profit margin reached 5.73%, lower than 9.12% in 2021.

(III) Research and development status

In 2022, the Company developed products and took out patents as follows:

1. In terms of products, SA-1730A series Super Slim Spotlight, DA-582A-F35A series ModFun C Modular Recessed Lights, RA-376R-S83 series ModFun X Modular Recessed Spotlights, DL-863AN series ModFun T Lamp Frame, ModFun A Modular Recessed Extended Fixed Wall Washer series, Up and Down Indoor Wall Light BS-L13AAST-Tseries, DA-532R series IP65 Mini Recessed Lights, LAM-L21A Mini Accent Lighting Strip Light, Upgrade of OBA-113 series, High Voltage Wireless Control Track Power Plug System, SA-4992C Focus/Angle Adjustable Track Spotlight, 5P Indoor DALI Junction Box, IP67 Outdoor Waterproof Box, Extended Ceiling Version of ModFun X series.
2. In terms of patents, we obtained the Utility Model Patents of Modular Lamps, Stacked Lamps, Track Lighting Power Assembly and its Track Lighting Power Driving Unit, Power Supply Unit, Track Lighting Power Plug and the Design Patents of Track Connector, Track End Plug and Modular Lamp.

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

II. The 2023 business plan outline

(I) The important marketing policy and business policy

1.Products

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

2.Marketing:

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

3.Production:

- A. Simplify product lines, use common parts, and build safety stock for the frequently used parts in order to shorten delivery lead time.

B. Strengthen automated production, improve manufacturing processes, increase efficiency, and reduce the impact of rising labor cost.

(II) The Company's future development strategy

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

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

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

1. Recruit professionals, enhance management, and improve the Company's business strength.
2. Introduce external technologies, enhance research and development capabilities, and improve product value.
3. Meet customer needs with innovative brand and professional services.
4. Pay attention to changes in domestic and foreign policies and laws with responsive measures proposed in due course.
5. In accordance with the materiality principle, conduct risk assessments pertaining to company operations and establish the relevant risk management policy.

Chairman : TANG, SHIH-CHUAN

CEO : HUNG, CHIA-CHENG

CFO : WANG, CHIH-YUAN

[Attachment 2]

Tons Lightology Inc.
Audit Committee's Report

The Board of Directors had prepared and presented the Company's 2022 business report, financial report, and statement of retained earnings, of which, the financial report was consigned by the Board of Directors to be audited by CPA HUNG, SHU-HUA and CPA LIU, MEI-LAN of PWC Taiwan with an independent auditor's report issued.

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

Sincerely yours,

To: The 2023 Annual Shareholders' Meeting of Tons Lightology Inc.

Tons Lightology Inc

Audit Committee Convener : HSU, CHUNG-YUAN

February 23, 2023

Title	Name	Remuneration								Ratio and Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees						Ratio and Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary or Parent Company		
		Base Compensation (A)		Severance Pay (B)		Bonus to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Profit Sharing- Employee Bonus (G)						
		The company	All companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	Cash	Stock	Cash	Stock		The company	Companies in the consolidated financial statements
Director	TANG, SHIH-CHUAN	-	-	-	-	265	265	21	21	286/0.55	286/0.55	2,777	2,777	-	-	-	-	-	-	3,063/5.85	3,063/5.85	-
Director	HUNG, CHIA-CHENG	-	-	-	-	265	265	21	21	286/0.55	286/0.55	2,097	3,735			793	-	793	-	3,176/6.06	4,814/9.19	-
Director	CHEN, MING-HSIN	-	-	-	-	265	265	21	21	286/0.55	286/0.55	-	-	-	-	-	-	-	-	286/0.55	286/0.55	-
Director	HSIAO, CHEN-CHI	-	-	-	-	265	265	21	21	286/0.55	286/0.55	-	-	-	-	-	-	-	-	286/0.55	286/0.55	-
Independent Director	HSU, CHUNG-YUAN	720	720	-	-	-	-	24	24	744/1.42	744/1.42	-	-	-	-	-	-	-	-	744/1.42	744/1.42	-
Independent Director	CHOU, LIANG-CHENG	720	720	-	-	-	-	24	24	744/1.42	744/1.42	-	-	-	-	-	-	-	-	744/1.42	744/1.42	-
Independent Director	LEE, SHYH-CHIN	720	720	-	-	-	-	24	24	744/1.42	744/1.42	-	-	-	-	-	-	-	-	744/1.42	744/1.42	-
Total		2,160	2,160	-	-	1,060	1,060	156	156	3,376/6.44	3,376/6.44	4,874	6,512	-	-	793	-	793	-	9,043/17.26	10,682/20.39	-

1. Remuneration policies, systems, standards, and structures for independent directors and linkage thereof to powers, risks, and time spent:
The remuneration for independent directors are paid in accordance with the “Directors' Remuneration Regulations” approved by the Board of Directors and may be adjusted based on the industry standards and independent directors’ involvement in business operations and contributions; in addition, independent directors attending meetings in person may be granted transportation allowances.

2. Except for the above disclosure, the remuneration paid to the Company’s directors for all services rendered last year is NT\$0 thousand.

[Attachment 4]

Tons Lightology Inc.

Review Report of the Proposal of M&A and Share Swap

The results and report for the review of the proposed M&A and Share Swap of the Company Committee and its wholly-owned subsidiary TONS LIGHTOLOGY (CAYMAN) INC. with StrongLED Lighting Systems(Cayman) Co., Ltd. is as follows.

1. In accordance with Article 6 of the Business Mergers and Acquisitions Act and Articles 2 and 6 of the Regulations Governing the Establishment and Related Matters of Special Committees of Public Companies for Merger/Consolidation and Acquisition, the functions of the Special Committee for merger /consolidation and acquisition is exercised by the Audit Committee.
2. This committee has taken into consideration of the subjective and objective factors of current operating conditions and the of future development of the companies of the two Parties, and also taken into consideration of the “Fairness Opinions on Merger and Proportion of Stock Swap” provided by the engaged independent expert, RUAN, CHIONG-HUA, accountant, YuanHeCpa. The case takes shares as consideration, and the share exchange ratio is 1 common share of the Company for 1.72 common shares of StrongLED, which is within the reasonable range assessed by independent experts, and the committee believes that the share exchange ratio is reasonable. After reviewing the “M&A and Share Exchange Agreement”, it is found that it is stipulated in accordance with the regulations of related Acts, and its share exchange ratio and conditions are in line with the principles of fairness and reasonableness.
3. The committee held a meeting on April 7, 2023, to review the fairness and reasonableness of this M&A proposal. All the members present accepted the proposal without objection and reported the results of the review to the Company’s board of directors and shareholders’ meeting.

Sincerely yours,

To: The 2023 Annual Shareholders’ Meeting of Tons Lightology Inc.

Tons Lightology Inc

Audit Committee Convener : HSU, CHUNG-YUAN

April 07, 2023

[Attachment 5]

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

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

Opinion

We have audited the accompanying consolidated balance sheets of Tons Lightology Inc. and its subsidiaries (the "Group") as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters

were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements are stated as follows:

Timing of recognising sales revenue

Description

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

The Group is primarily engaged in manufacturing and trading lighting equipment and lamps and the transaction mode is the parent company receives orders and transfers the orders to the subsidiaries for manufacturing and delivery. Sales revenue includes different transaction terms and the timing of transfer of the control of goods involves manual judgement, we thus identified the timing of sales revenue recognition as one of the key areas of focus for this year's audit.

How our audit addressed the matter

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

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

Inventory valuation

Description

Please refer to Note 4(13) for a description of accounting policy on inventory valuation. Please refer to Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation. Please refer to Note 6(5) for a description of inventory. As of December 31, 2022, the Group's inventory amounted to NT\$198,175 thousand and inventory valuation losses amounted to NT\$23,559 thousand.

The Group is primarily engaged in manufacturing and trading lighting equipment and lamps.

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

How our audit addressed the matter

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

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

Other matter – Parent company only financial statements

We have audited and expressed an unqualified opinion on the parent company only financial statements of Tons Lightology Inc. as at and for the years ended December 31, 2022 and 2021.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial

statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and professional skepticism throughout the audit. We also:

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

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

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

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

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

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

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

Hung, Shu-Hua

Liu, Mei Lan

For and on behalf of PricewaterhouseCoopers, Taiwan

February 23, 2023

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

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

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 361,977	28	\$ 344,436	24
1110	Financial assets at fair value through profit or loss - current	6(2)	59,616	5	85,588	6
1136	Current financial assets at amortised cost	6(3) and 8	265,399	20	187,720	13
1150	Notes receivable, net	6(4)	2,122	-	2,204	-
1170	Accounts receivable, net	6(4)	105,080	8	143,165	10
1180	Accounts receivable - related parties	6(4) and 7(2)	321	-	-	-
1200	Other receivables		5,840	1	9,724	1
1220	Current tax assets		246	-	-	-
130X	Inventories	6(5)	174,616	13	243,044	17
1410	Prepayments		5,422	-	15,891	1
1470	Other current assets		1,968	-	1,792	-
11XX	Current Assets		<u>982,607</u>	<u>75</u>	<u>1,033,564</u>	<u>72</u>
Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income	6(6)	34,600	3	46,171	3
1550	Investments accounted for using equity method	6(7)	32,230	2	42,116	3
1600	Property, plant and equipment	6(8)	225,984	17	252,587	18
1755	Right-of-use assets	6(9)	29,634	2	37,029	3
1780	Intangible assets		1,375	-	3,455	-
1840	Deferred income tax assets	6(25)	4,142	-	4,140	-
1900	Other non-current assets	6(10) and 8	7,837	1	7,140	1
15XX	Non-current assets		<u>335,802</u>	<u>25</u>	<u>392,638</u>	<u>28</u>
1XXX	Total assets		<u>\$ 1,318,409</u>	<u>100</u>	<u>\$ 1,426,202</u>	<u>100</u>

(Continued)

Liabilities and Equity		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2120	Financial liabilities at fair value through profit or loss - current	6(2)	\$ 1,687	-	\$ -	-
2130	Current contract liabilities	6(18)	31,191	2	25,418	2
2150	Notes payable		31	-	25	-
2170	Accounts payable		45,769	4	103,500	7
2200	Other payables	6(11)	66,850	5	87,726	6
2230	Current income tax liabilities		19,596	2	27,984	2
2250	Provisions for liabilities - current		548	-	1,967	-
2280	Current lease liabilities		2,489	-	7,689	1
2300	Other current liabilities		1,318	-	977	-
21XX	Current Liabilities		<u>169,479</u>	<u>13</u>	<u>255,286</u>	<u>18</u>
Non-current liabilities						
2550	Provisions for liabilities - non-current		551	-	335	-
2570	Deferred income tax liabilities	6(25)	3,830	-	7,241	-
2580	Non-current lease liabilities		295	-	2,186	-
2600	Other non-current liabilities	6(12)	10,017	1	8,525	1
25XX	Non-current liabilities		<u>14,693</u>	<u>1</u>	<u>18,287</u>	<u>1</u>
2XXX	Total Liabilities		<u>184,172</u>	<u>14</u>	<u>273,573</u>	<u>19</u>
Equity attributable to owners of parent						
Share capital						
3110	Share capital - common stock	6(14)	394,223	30	402,031	28
3140	Advance receipts for share capital		-	-	1,103	-
Capital surplus						
3200	Capital surplus	6(15)	505,884	38	518,118	36
Retained earnings						
3310	Legal reserve	6(16)	118,301	9	108,709	8
3320	Special reserve		88,050	7	72,115	5
3350	Unappropriated retained earnings		121,073	9	186,967	13
Other equity interest						
3400	Other equity interest	6(17)	(78,922)	(6)	(88,050)	(6)
3500	Treasury shares	6(14)	(14,372)	(1)	(48,364)	(3)
31XX	Equity attributable to owners of the parent		<u>1,134,237</u>	<u>86</u>	<u>1,152,629</u>	<u>81</u>
3XXX	Total equity		<u>1,134,237</u>	<u>86</u>	<u>1,152,629</u>	<u>81</u>
Significant events after the balance sheet 11 date						
3X2X	Total liabilities and equity		<u>\$ 1,318,409</u>	<u>100</u>	<u>\$ 1,426,202</u>	<u>100</u>

Year ended December 31

	Items	Notes	2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(18) and 7	\$ 913,801	100	\$ 1,051,699	100
5000	Operating costs	6(5) and 7	(616,295)	(68)	(687,364)	(66)
5900	Net operating margin		297,506	32	364,335	34
	Operating expenses	6(23)(24)				
6100	Selling expenses		(85,368)	(9)	(91,422)	(9)
6200	General and administrative expenses		(86,614)	(10)	(90,784)	(8)
6300	Research and development expenses		(39,085)	(4)	(39,420)	(4)
6000	Total operating expenses		(211,067)	(23)	(221,626)	(21)
6900	Operating profit		86,439	9	142,709	13
	Non-operating income and expenses					
7100	Interest income	6(19)	11,053	1	8,513	1
7010	Other income	6(20)	2,381	1	5,332	-
7020	Other gains and losses	6(21)	(16,334)	(2)	(14,014)	(1)
7050	Finance costs	6(22)	(205)	-	(330)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	6(7)	(9,886)	(1)	(10,297)	(1)
7000	Total non-operating income and expenses		(12,991)	(1)	(10,796)	(1)
7900	Profit before income tax		73,448	8	131,913	12
7950	Income tax expense	6(25)	(21,054)	(2)	(35,941)	(3)
8200	Profit for the year		<u>\$ 52,394</u>	<u>6</u>	<u>\$ 95,972</u>	<u>9</u>
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Other comprehensive loss, before tax, actuarial losses on defined benefit plans	6(12)	(\$ 1,504)	-	(\$ 61)	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	6(17)	(11,571)	(1)	(7,735)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	320	-	12	-
8310	Components of other comprehensive loss that will not be reclassified to profit or loss		(12,755)	(1)	(7,784)	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(17)	20,680	2	(8,200)	(1)
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		20,680	2	(8,200)	(1)
8300	Total other comprehensive income (loss) for the year		<u>\$ 7,925</u>	<u>1</u>	<u>(\$ 15,984)</u>	<u>(1)</u>
8500	Total comprehensive income for the year		<u>\$ 60,319</u>	<u>7</u>	<u>\$ 79,988</u>	<u>8</u>
	Basic earnings per share	6(26)				
9750	Total basic earnings per share		<u>\$ 1.35</u>		<u>\$ 2.51</u>	
	Diluted earnings per share	6(26)				
9850	Total diluted earnings per share		<u>\$ 1.33</u>		<u>\$ 2.46</u>	

Year 2021

Balance at January 1, 2021	\$ 396,723	\$ 965	\$ 503,171	\$ -	\$ 5,248	\$ 95,799	\$ 54,323	\$ 212,854	(\$ 73,605)	\$ 1,490	(\$ 62,736)	\$ 1,134,232
Profit for the year	-	-	-	-	-	-	-	95,972	-	-	-	95,972
Other comprehensive loss for the year	6(17)	-	-	-	-	-	-	(49)	(8,200)	(7,735)	-	(15,984)
Total comprehensive income (loss)	-	-	-	-	-	-	-	95,923	(8,200)	(7,735)	-	79,988
Appropriations and distribution of 2020 earnings	6(16)	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	-	12,910	-	(12,910)	-	-	-	-
Special reserve	-	-	-	-	-	-	17,792	(17,792)	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(91,108)	-	-	-	(91,108)
Share-based payment transactions-employee stock options6(13)	5,308	138	11,419	-	(3,007)	-	-	-	-	-	-	13,858
Treasury shares transferred to employees	-	-	-	1,287	-	-	-	-	-	-	14,372	15,659
Balance at December 31, 2021	\$ 402,031	\$ 1,103	\$ 514,590	\$ 1,287	\$ 2,241	\$ 108,709	\$ 72,115	\$ 186,967	(\$ 81,805)	(\$ 6,245)	(\$ 48,364)	\$ 1,152,629

Year 2022

Balance at January 1, 2022	\$ 402,031	\$ 1,103	\$ 514,590	\$ 1,287	\$ 2,241	\$ 108,709	\$ 72,115	\$ 186,967	(\$ 81,805)	(\$ 6,245)	(\$ 48,364)	\$ 1,152,629
Profit for the year	-	-	-	-	-	-	-	52,394	-	-	-	52,394
Other comprehensive income (loss) for the year	6(17)	-	-	-	-	-	-	(1,203)	20,680	(11,552)	-	7,925
Total comprehensive income (loss)	-	-	-	-	-	-	-	51,191	20,680	(11,552)	-	60,319
Appropriation and distribution of 2021 retained earnings6(16)	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	-	9,592	-	(9,592)	-	-	-	-
Special reserve	-	-	-	-	-	-	15,935	(15,935)	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(81,631)	-	-	-	(81,631)
Share-based payment transactions-employee stock options6(13)	2,192	(1,103)	2,256	-	(425)	-	-	-	-	-	-	2,920
Retirement of treasury share	(10,000)	-	(12,778)	(1,287)	-	-	-	(9,927)	-	-	33,992	-
Balance at December 31, 2022	\$ 394,223	\$ -	\$ 504,068	\$ -	\$ 1,816	\$ 118,301	\$ 88,050	\$ 121,073	(\$ 61,125)	(\$ 17,797)	(\$ 14,372)	\$ 1,134,237

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax		\$	73,448	\$	131,913
Adjustments					
Adjustments to reconcile profit (loss)					
Depreciation	6(8)(23)		49,522		49,333
Depreciation - right-of-use asset	6(9)(23)		9,263		9,318
Amortisation	6(23)		2,470		2,517
Expected credit gain	12(2)	(	1,054)		294
Net loss on financial assets and liabilities at fair value through profit or loss	6(21)		27,684		18,555
Interest expense - lease liability	6(22)		205		330
Interest income	6(19)	(	11,053 )	(	8,513)
Dividend income	6(20)		-	(	4,304)
Share-based payments	6(13)		424		1,935
Share of loss of associates and joint ventures accounted for under equity method	6(7)		9,886		10,297
Gain on disposal of property, plant and equipment	6(21)	(	198 )	(	1,419)
Property, plant and equipment transferred to expenses			-		99
Unrealized foreign exchange gain			2,662	(	1,733)
Prorision for warranty expense			214		20
Changes in operating assets and liabilities					
Changes in operating assets					
Notes receivable, net			86	(	999)
Accounts receivable, net			39,236	(	16,087)
Accounts receivable due from related parties		(	321)		518
Other receivables			5,446	(	4,742)
Inventories			72,161	(	80,363)
Prepayments			10,733		197
Other current assets		(	152)		64
Changes in operating liabilities					
Notes payable			3		1
Accounts payable		(	59,418)		15,933
Other payables		(	21,922)		1,945
Contract liabilities			5,700		8,403
Other current liabilities		(	1,089)		1,854
Other non-current liabilities		(	13 )	(	12)
Cash inflow generated from operations			213,923		135,354
Interest received			9,649		7,124
Dividend received			-		4,304
Interest paid		(	205 )	(	330)
Income tax paid		(	32,879 )	(	26,922)
Net cash flows from operating activities			<u>190,488</u>		<u>119,530</u>

(Continued)

CASH FLOWS FROM INVESTING ACTIVITIES

Increase in financial assets at amortised cost		(\$	69,472)	(\$	10,782)
Acquisition of investments accounted for using equity method			-	(	15,000)
Acquisition of property, plant and equipment	6(27)	(	12,452 )	(	24,133)
Proceeds from disposal of property, plant and equipment			571		1,643
(Increase) decrease in refundable deposits		(	1,918)		177
Acquisition of intangible deposits		(	390 )	(	1,634)
Increase in other non-current assets		(	<u>5,633</u>)	(	<u>5,486</u>)
Net cash flows used in investing activities		(	<u>89,294</u>)	(	<u>55,215</u>)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of principal portion of lease liabilities	6(28)	(	8,554 )	(	8,441)
Cash dividends paid	6(16)(28)	(	81,631 )	(	91,108)
Exercise of employee stock options			2,497		13,255
Treasury shares sold to employees			<u>-</u>		<u>14,327</u>
Net cash flows used in financing activities		(	<u>87,688</u>)	(	<u>71,967</u>)
Effect of exchange rate changes on cash equivalents			<u>4,035</u>	(	<u>1,477</u>)
Net increase (decrease) in cash and cash equivalents			17,541	(	9,129)
Cash and cash equivalents at beginning of year			<u>344,436</u>		<u>353,565</u>
Cash and cash equivalents at end of year		\$	<u>361,977</u>	\$	<u>344,436</u>

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

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

Opinion

We have audited the accompanying parent company only balance sheets of Tons Lightology Inc. (the “Company”) as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

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

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

Timing of recognizing sales revenue

Description

Please refer to Note 4(26) for a description of accounting policy on sales revenue. Please refer to Note 6(15) for details of sales revenue.

The Company is primarily engaged in manufacturing and trading lighting equipment and lamps and the transaction mode is the Company receives orders and transfers the orders to the subsidiaries for manufacturing and delivery. Sales revenue includes different transaction terms and the timing of transfer

of the control of goods involves manual judgement, we thus identified the timing of sales revenue recognition as one of the key areas of focus for this year's audit.

How our audit addressed the matter

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

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

Inventory valuation

Description

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

estimation uncertainty, we thus identified inventory valuation of the subsidiary (presented as investments accounted for using the equity method) as one of the key areas of focus for this year's audit.

How our audit addressed the matter

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

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

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

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

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

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

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

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within TONS LIGHTOLOGY INC. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Hung, Shu-Hua

Liu, Mei-Lan

For and on behalf of PricewaterhouseCoopers, Taiwan

February 23, 2023

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

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

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 232,849	16	\$ 176,510	12
1136	Current financial assets at amortised cost	6(2) and 8	316	-	316	-
1150	Notes receivable, net	6(3)	2,122	-	2,204	-
1170	Accounts receivable, net	6(3)	97,012	7	139,155	9
1180	Accounts receivable - related parties	6(3) and 7	396	-	112	-
1200	Other receivables		243	-	90	-
130X	Inventories	6(4)	11,717	1	8,568	1
1410	Prepayments		344	-	399	-
1470	Other current assets		110	-	128	-
11XX	Current Assets		<u>345,109</u>	<u>24</u>	<u>327,482</u>	<u>22</u>
Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income	6(5)	34,600	2	46,171	3
1550	Investments accounted for using equity method	6(6)	1,076,363	74	1,096,294	74
1600	Property, plant and equipment	6(7)	731	-	1,007	-
1755	Right-of-use assets	6(8)	843	-	7,126	1
1780	Intangible assets		1,375	-	3,455	-
1840	Deferred income tax assets	6(22)	4,142	-	4,140	-
1990	Other non-current assets, others	8	2,500	-	2,201	-
15XX	Non-current assets		<u>1,120,554</u>	<u>76</u>	<u>1,160,394</u>	<u>78</u>
1XXX	Total assets		<u>\$ 1,465,663</u>	<u>100</u>	<u>\$ 1,487,876</u>	<u>100</u>

(Continued)

Liabilities and Equity		Notes	December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Current contract liabilities	6(15)	\$ 25,678	2	\$ 23,312	2
2150	Notes payable		31	-	25	-
2170	Accounts payable		2,936	-	2,057	-
2180	Accounts payable - related parties	7	252,188	17	231,847	16
2200	Other payables		20,768	2	30,276	2
2220	Other payables - related parties	7	1,356	-	1,467	-
2230	Current income tax liabilities	6(22)	12,638	1	20,849	1
2280	Current lease liabilities		851	-	6,498	1
2300	Other current liabilities		931	-	2,180	-
21XX	Current Liabilities		<u>317,377</u>	<u>22</u>	<u>318,511</u>	<u>22</u>
Non-current liabilities						
2550	Provisions for liabilities - non-current		202	-	203	-
2570	Deferred income tax liabilities	6(22)	3,830	-	7,241	-
2580	Non-current lease liabilities		-	-	767	-
2600	Other non-current liabilities	6(9)	10,017	1	8,525	1
25XX	Non-current liabilities		<u>14,049</u>	<u>1</u>	<u>16,736</u>	<u>1</u>
2XXX	Total Liabilities		<u>331,426</u>	<u>23</u>	<u>335,247</u>	<u>23</u>
Equity						
Share capital 6(11)						
3110	Share capital - common stock		394,223	27	402,031	27
3140	Advance receipts for share capital		-	-	1,103	-
Capital surplus						
3200	Capital surplus	6(12)	505,884	34	518,118	35
Retained earnings 6(13)						
3310	Legal reserve		118,301	8	108,709	7
3320	Special reserve		88,050	6	72,115	5
3350	Unappropriated retained earnings		121,073	8	186,967	12
Other equity interest						
3400	Other equity interest	6(14)	(78,922)	(5)	(88,050)	(6)
3500	Treasury shares	6(11)	(14,372)	(1)	(48,364)	(3)
3XXX	Total equity		<u>1,134,237</u>	<u>77</u>	<u>1,152,629</u>	<u>77</u>
Significant events after the balance sheet 11 date						
3X2X	Total liabilities and equity		<u>\$ 1,465,663</u>	<u>100</u>	<u>\$ 1,487,876</u>	<u>100</u>

Year ended December 31

	Items	Notes	2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(15) and 7	\$ 788,393	100	\$ 922,353	100
5000	Operating costs	6(4) and 7	(646,522)	(82)	(759,092)	(82)
5900	Net operating margin		<u>141,871</u>	<u>18</u>	<u>163,261</u>	<u>18</u>
	Operating expenses	6(20)(21)				
6100	Selling expenses		(28,792)	(4)	(29,649)	(3)
6200	General and administrative expenses		(40,889)	(5)	(47,615)	(5)
6300	Research and development expenses		(4,738)	-	(4,429)	(1)
6000	Total operating expenses		(74,419)	(9)	(81,693)	(9)
6900	Operating profit		<u>67,452</u>	<u>9</u>	<u>81,568</u>	<u>9</u>
	Non-operating income and expenses					
7100	Interest income	6(16)	3,080	-	1,799	-
7010	Other income	6(17)	352	-	1,481	-
7020	Other gains and losses	6(18)	(1,694)	-	2,831	-
7050	Finance costs	6(19)	(84)	-	(215)	-
7070	Share of (loss) profit of associates and joint ventures accounted for using equity method, net	6(6)	(5,804)	(1)	30,829	4
7000	Total non-operating income and expenses		(4,150)	(1)	36,725	4
7900	Profit before income tax		<u>63,302</u>	<u>8</u>	<u>118,293</u>	<u>13</u>
7950	Income tax expense	6(22)	(10,908)	(1)	(22,321)	(2)
8200	Profit for the year		<u>\$ 52,394</u>	<u>7</u>	<u>\$ 95,972</u>	<u>11</u>
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Other comprehensive loss, before tax, actuarial losses on defined benefit plans	6(9)	(\$ 1,504)	-	(\$ 61)	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	6(14)	(11,571)	(2)	(7,735)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(22)	<u>320</u>	-	<u>12</u>	-
8310	Components of other comprehensive loss that will not be reclassified to profit or loss		(12,755)	(2)	(7,784)	(1)
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Other comprehensive income(loss), before tax, exchange differences on translation	6(14)	<u>20,680</u>	<u>3</u>	<u>(8,200)</u>	<u>(1)</u>
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		<u>20,680</u>	<u>3</u>	<u>(8,200)</u>	<u>(1)</u>
8300	Other comprehensive (loss) income for the year		<u>\$ 7,925</u>	<u>1</u>	<u>(\$ 15,984)</u>	<u>(2)</u>
8500	Total comprehensive income for the year		<u>\$ 60,319</u>	<u>8</u>	<u>\$ 79,988</u>	<u>9</u>
	Basic earnings per share					
9750	Total basic earnings per share	6(23)	<u>\$ 1.35</u>		<u>\$ 2.51</u>	
9850	Diluted earnings per share					
9850	Total diluted earnings per share	6(23)	<u>\$ 1.33</u>		<u>\$ 2.46</u>	

Year 2021

Balance at January 1, 2021		\$ 396,723	\$ 965	\$ 503,171	\$ -	\$ 5,248	\$ 95,799	\$ 54,323	\$ 212,854	(\$ 73,605)	\$ 1,490	(\$ 62,736)	\$ 1,134,232
Profit for the year		-	-	-	-	-	-	-	95,972	-	-	-	95,972
Other comprehensive loss for the year	6(14)	-	-	-	-	-	-	-	(49)	(8,200)	(7,735)	-	(15,984)
Total comprehensive income (loss)		-	-	-	-	-	-	-	95,923	(8,200)	(7,735)	-	79,988
Appropriations and distribution of 2020 retained earnings													
Legal reserve	6(13)	-	-	-	-	-	12,910	-	(12,910)	-	-	-	-
Special reserve	6(13)	-	-	-	-	-	-	17,792	(17,792)	-	-	-	-
Cash dividends	6(13)	-	-	-	-	-	-	-	(91,108)	-	-	-	(91,108)
Share-based payment transactions-employee stock options	6(10)	5,308	138	11,419	-	(3,007)	-	-	-	-	-	-	13,858
Treasury shares transferred to employees	6(11)	-	-	-	1,287	-	-	-	-	-	-	14,372	15,659
Balance at December 31, 2021		\$ 402,031	\$ 1,103	\$ 514,590	\$ 1,287	\$ 2,241	\$ 108,709	\$ 72,115	\$ 186,967	(\$ 81,805)	(\$ 6,245)	(\$ 48,364)	\$ 1,152,629

Year 2022

Balance at January 1, 2022		\$ 402,031	\$ 1,103	\$ 514,590	\$ 1,287	\$ 2,241	\$ 108,709	\$ 72,115	\$ 186,967	(\$ 81,805)	(\$ 6,245)	(\$ 48,364)	\$ 1,152,629
Profit for the year		-	-	-	-	-	-	-	52,394	-	-	-	52,394
Other comprehensive income (loss) for the year	6(14)	-	-	-	-	-	-	-	(1,203)	20,680	(11,552)	-	7,925
Total comprehensive income (loss)		-	-	-	-	-	-	-	51,191	20,680	(11,552)	-	60,319
Appropriations and distribution of 2021 retained earnings													
Legal reserve	6(13)	-	-	-	-	-	9,592	-	(9,592)	-	-	-	-
Special reserve	6(13)	-	-	-	-	-	-	15,935	(15,935)	-	-	-	-
Cash dividends	6(13)	-	-	-	-	-	-	-	(81,631)	-	-	-	(81,631)
Share-based payment transactions-employee stock options	6(10)	2,192	(1,103)	2,256	-	(425)	-	-	-	-	-	-	2,920
Treasury shares transferred to employees	6(11)	(10,000)	-	(12,778)	(1,287)	-	-	-	(9,927)	-	-	33,992	-
Balance at December 31, 2022		\$ 394,223	\$ -	\$ 504,068	\$ -	\$ 1,816	\$ 118,301	\$ 88,050	\$ 121,073	(\$ 61,125)	(\$ 17,797)	(\$ 14,372)	\$ 1,134,237

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax		\$	63,302	\$	118,293
Adjustments					
Adjustments to reconcile profit (loss)					
Depreciation	6(7)(20)		478		374
Depreciation-right of use asset	6(8)(20)		6,432		6,458
Amortisation	6(20)		2,470		2,517
Expected credit loss (gain)	12(2)		353	(	1,419)
Interest expense-lease liability	6(8)		84		215
Interest income	6(16)	(	3,080 )	(	1,799)
Dividend income			-	(	1,360)
Wages and salaries- employee stock options	6(10)		424		1,935
Share of loss of subsidiary, associates and joint ventures	6(6)		5,804	(	30,829)
Property, plant and equipment transferred to expenses			-		99
Unrealised foreign exchange loss			1,044		4,535
Reversal of provision for warranty expense		(	2 )	(	46)
Changes in operating assets and liabilities					
Changes in operating assets					
Notes receivable, net			86	(	999)
Account receivable, net			41,840	(	16,090)
Account receivable due from related party		(	284)		733
Other receivables			1		401
Inventories		(	3,131)		2,891
Prepayments			56		4,929
Other current assets			17		53
Changes in operating liabilities					
Notes payable			3		1
Accounts payable			877	(	7,706)
Accounts payable to related parties			20,280		1,331
Other payables		(	9,600)		3,536
Other payables to related parties		(	111)		432
Contract liabilities			2,314		8,287
Other current liabilities		(	1,249)		1,580
Other non-current liabilities		(	13 )	(	12)
Cash inflow generated from operations			128,395		98,340
Interest received			2,926		1,774
Dividend received			34,466		1,360
Interest paid		(	84 )	(	215)
Income tax paid		(	22,212 )	(	19,313)
Net cash flows from operating activities			<u>143,491</u>		<u>81,946</u>

(Continued)

CASH FLOWS FROM INVESTING ACTIVITIES

Decrease in financial assets at amortised cost		\$	-	\$	632
Acquisition of investments accounted for using the equity			-	(	15,000)
Acquisition of property, plant and equipment	6(7)(24)	(	202 )	(	844)
Acquisition of intangible deposits		(	390 )	(	1,634)
(Increase) decrease in refundable deposits		(	<u>270)</u>		<u>236</u>
Net cash flows used in investing activities		(	<u>862 )</u>	(	<u>16,610)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of principal portion of lease liability	6(8)(25)	(	6,563 )	(	6,467)
Cash dividend paid	6(13)(25)	(	81,631 )	(	91,108)
Exercise of employee stock options			2,497		13,255
Treasury shares sold to employees			<u>-</u>		<u>14,327</u>
Net cash flows used in financing activities		(	<u>85,697 )</u>	(	<u>69,993)</u>
Effect of exchange rate changes on cash equivalents		(	<u>593 )</u>	(	<u>4,743)</u>
Net increase (decrease) in cash and cash equivalents			56,339	(	9,400)
Cash and cash equivalents at beginning of year			<u>176,510</u>		<u>185,910</u>
Cash and cash equivalents at end of year		\$	<u>232,849</u>	\$	<u>176,510</u>

[Attachment 6]

Tons Lightology Inc.
Profit Distribution Table
Year 2022

Unit: NT\$

Net income – 2022	\$52,393,500
Less: Retained earnings adjusted amount - 2022	(11,130,578)
Less: 10% legal reserve	(4,126,292)
Add: special reserve	9,128,361
Distributable amount - 2022	\$46,264,991
Add: Unappropriated earnings - beginning	79,809,247
Accumulated distributable amount - 2022	\$126,074,238
Distributions:	
Shareholder dividend - Cash	63,172,795
Unappropriated earnings - ending	\$62,901,443
Remark: Cash dividend: NT\$1.62 per share	

Note 1: Retained earnings adjusted amount in 2022 for NT\$(11,130,578) was resulted from the re-valuation of the defined benefit plan NT\$(1,203,050) and the items adjusted for retained earnings due to the influence of retired treasury shares NT\$ (9,927,528).

Note 2: The reversal special reserve of this is NT\$9,128,361, it is the difference reversal between the appropriated special reserve and other net values of equity loss, and the appropriation of the special reserve is made up.

Note 3: On February 23, 2023, the Board of Directors resolved to distribute cash dividends at NT\$1.62 per share.

Note 4: The cash dividend per share was calculated in accordance with the outstanding 38,995,553 shares on February 23, 2023.

Chairman : TANG, SHIH-CHUAN

CEO : HUNG, CHIA-CHENG

CFO : WANG, CHIH-YUAN

[Attachment 7]

Tons Lightology Inc.

List of Candidates for the 11th-term Board of Directors (including Independent Directors)

Title	Name	Shareholding	Education	Experience	Other Position
Director	TANG, SHIH-CHUAN	3,535,633	Oriental Institute of Technology / Dept. of Clothes Manufacturing	Tons Lightology Inc. / Founder	Tons Lightology Inc. / Chairman & Concurrent R&D Director Titan Lighting Co., Ltd. / Chairman Zhongshan Tons Lighting Co., Ltd. / Chairman World Extend Holding Inc. / Director Greatsuper Technology Ltd. / Director Hong-Bo investment Co., Ltd. / Chairman Luminous Holding Incorporated/ Director Shanghai Tons Lightology Co., Ltd./ Chairman Art So Trading Ltd./Director. Artso International, Inc./Director.
Director	HUNG, CHIA-CHENG	1,107,881	Kainan Vocational High School / Dept. of Electronic Engineering	Tons Lightology Inc. / Senior Executive Vice President	Tons Lightology Inc. / GM Titan Lighting Co., Ltd. / Director & G.M. Zhongshan Tons Lighting Co., Ltd. / Director & G.M.

Title	Name	Shareholding	Education	Experience	Other Position
					Hong-Bo Investment Co., Ltd. / Director Shanghai Tons Lightology Co., Ltd / Director
Director	CHEN, MING-HSIN	0	Bachelor of Accounting, National Chengchi University Doctor of Business Administration, Nankai University	Taiwan Stock Exchange- Listing Review and Chief Accountant Hung Mao Technology Co., Ltd.- President	
Director	HSIAO, CHEN-CHI	25,250	EMBA, Feng Chia University	PwC Taiwan / Partner	Honmyue Enterprise Co. Ltd. / Independent Director and Remuneration Committee Member United Recommend International Co., Ltd. / Independent Director, Audit Committee Convener, and Remuneration Committee Convener Horizon Securities Co., Ltd. / Independent Director , Audit Committee Member , Remuneration Committee Member ,and Risk Management Committee Member Yao I Fabric Co., Ltd. / Independent Director , Audit Committee Member ,and Remuneration Committee Member Plum-Monix Industry Co., Ltd./ Director Ruopu Construction and Development

Title	Name	Shareholding	Education	Experience	Other Position
					Co., Ltd. / Supervisor Yeong Chin Machinery Industries Co. Ltd. / Supervisor
Independent Director	CHOU, LIANG-CHENG	0	Bachelor of Laws, Fu Jen Catholic University	Rootlaw Firm- Attorney Li Cheng Law Firm- Attorney Xin Fu International Law Firm- Attorney Jia Hua Attorneys-At-Law Firm,- Attorney	Jia Hua Attorneys-At-Law Firm, -Founding Attorney Shih-Kuen Plastics Co., Ltd. -Independent Director and Remuneration Committee Member Chenming Technology Co. / Independent Director , Audit Committee Member ,and Remuneration Committee Member Addcn Technology Co., Ltd / Director
Independent Director	LEE, SHYH-CHIN	0	Master in Management Science, National Chiao Tung University	Chunghwa Precision Test Tech. Co., Ltd. / Chairman Chunghwa Telecom / Vice President of Finance Chunghwa Investment Co., Ltd. / President	Chunghwa Telecom / Consultant
Independent Director	CHOU, CONG-NAM	0	Bachelor of Accounting, Tunghai University	Everlight Electronics., Ltd. / Assistant Vice President Tons Lightology Inc. / CFO	Khgears International Limited/ Independent Director , Audit Committee Member ,and Remuneration Committee Member Edison Opto Corporation/ Independent Director , Audit Committee Member ,and Remuneration Committee Member

湯石照明科技股份有限公司
 公司章程修訂條文對照表

Tons Lightology Inc.

Articles of Incorporation Amendment before and after

修正條文	現行條文	修正理由
<p>第四條 本公司額定資本總額為新台幣 <u>800,000,000</u> 元，分為 <u>80,000,000</u> 股，每股新台幣 10 元，其中未發行之股份，授權董事會分次發行。 The capital stock of the Company is authorized for an amount of NT\$<u>800,000,000</u> with <u>80,000,000</u> shares issued at NT\$10 par by installment in accordance with the resolutions of the Board. 前項額定資本總額內保留新台幣 <u>80,000,000</u> 元，共計 <u>8,000,000</u> 股，供發行員工認股權憑證轉換之用，得依董事會決議分次發行之。 An amount of NT\$<u>80,000,000</u> is to be appropriated from the total capital stock stated in the preceding paragraph for issuing employee stock warrants with <u>8,000,000</u> shares issued by installment in accordance with the resolutions of the Board.</p>	<p>第四條 本公司額定資本總額為新台幣 <u>500,000,000</u> 元，分為 <u>50,000,000</u> 股，每股新台幣 10 元，其中未發行之股份，授權董事會分次發行。 The capital stock of the Company is authorized for an amount of NT\$<u>500,000,000</u> with <u>50,000,000</u> shares issued at NT\$10 par by installment in accordance with the resolutions of the Board. 前項額定資本總額內保留新台幣 <u>伍仟萬元</u>，共計 <u>伍佰萬股</u>，供發行員工認股權憑證轉換之用，得依董事會決議分次發行之。 An amount of NT\$<u>50,000,000</u> is to be appropriated from the total capital stock stated in the preceding paragraph for issuing employee stock warrants with <u>5,000,000</u> shares issued by installment in accordance with the resolutions of the Board.</p>	<p>因應營運需求，提高額定資本總額。 In line with the operational requirement, the rated capital is raised.</p>
<p>第六條 本公司股票為記名式，並應編號及由董事簽名或蓋章，<u>並經依法得擔任股票發行簽證人之銀行</u>簽證後發行之。 The share certificates of the Company shall be Registered Stock, shall be assigned with serial numbers, shall be affixed with the signatures or personal seals of directors of the Company, and shall be duly certified or authenticated <u>by the bank competent to serve as attestors under the laws before issuance thereof.</u> 本公司發行之股份，得免印製股票，惟應洽證券集中保管事業機構登錄。本公司股</p>	<p>第六條 本公司股票為記名式，並應編號及由董事 <u>三人以上</u>簽名或蓋章，<u>再經主管機關或其核定之發行登記機構</u>簽證後發行之。 The share certificates of the Company shall be Registered Stock, shall be assigned with serial numbers, shall be affixed with the signatures or personal seals of <u>three or more</u> directors of the Company, and shall be duly certified or authenticated <u>by the competent authority or a certifying institution appointed by the competent authority before issuance thereof.</u> 本公司發行之股份，得免印製股票，惟應洽證券集中保管事業機構登錄。本公司股</p>	<p>因應公司法第 162 條修正。 Amended in accordance with Article 162 of Company Act.</p>

修正條文	現行條文	修正理由
<p>務處理作業，悉依主管機關相關法令之規定辦理。</p> <p>The Company may have stock shares issued without any printout made; also, should contact Taiwan Depository & Clearing Corporation for registration. The Company has stock affairs handled in accordance with the relevant laws and regulations of the competent authorities.</p>	<p>務處理作業，悉依主管機關相關法令之規定辦理。</p> <p>The Company may have stock shares issued without any printout made; also, should contact Taiwan Depository & Clearing Corporation for registration. The Company has stock affairs handled in accordance with the relevant laws and regulations of the competent authorities.</p>	
<p>第廿八條</p> <p>本章程由發起人會議經全體發人同意於中華民國八十一年八月十四日。第一次修訂於民國八十九年六月二十六日，第二次修訂於民國八十九年十一月二十日，第三次修訂於民國九十一年三月八日，第四次修訂於民國九十一年十一月二十五日，第五次修訂於民國九十二年二月十日，第六次修訂於民國九十五年三月七日，第七次修訂於民國九十五年八月十日，第八次修訂於民國九十五年十月十二日，第九次修訂於民國九十六年四月二十九日，第十次修訂於民國九十六年五月十日，第十一次修訂於民國九十六年七月二十九日，第十二次修訂於民國九十六年十月八日，第十三次修訂於民國九十六年十二月三十一日，第十四次修訂於民國九十八年六月二十六日，第十五次修訂於民國一〇〇年五月二十三日，第十六次修訂於民國一〇一年六月二十日，第十七次修訂於民國一〇二年六月十日，第十八次修訂於民國一〇四年五月二十八日，第十九次修訂於民國一〇五年五月三十一日，第二十次修訂於民國一〇六年五月二十六日，第二十一次修訂於民國一〇七年五月三十日，第二十二次修訂於民國一〇八年五月二十九日，第二十三次修訂於民國一一一年五月二十六日，<u>第二十四次修訂於民國一一二年五月二十五日</u>。</p> <p>The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The 1st amendment made on June 26, 2010. The</p>	<p>第廿八條</p> <p>本章程由發起人會議經全體發人同意於中華民國八十一年八月十四日。第一次修訂於民國八十九年六月二十六日，第二次修訂於民國八十九年十一月二十日，第三次修訂於民國九十一年三月八日，第四次修訂於民國九十一年十一月二十五日，第五次修訂於民國九十二年二月十日，第六次修訂於民國九十五年三月七日，第七次修訂於民國九十五年八月十日，第八次修訂於民國九十五年十月十二日，第九次修訂於民國九十六年四月二十九日，第十次修訂於民國九十六年五月十日，第十一次修訂於民國九十六年七月二十九日，第十二次修訂於民國九十六年十月八日，第十三次修訂於民國九十六年十二月三十一日，第十四次修訂於民國九十八年六月二十六日，第十五次修訂於民國一〇〇年五月二十三日，第十六次修訂於民國一〇一年六月二十日，第十七次修訂於民國一〇二年六月十日，第十八次修訂於民國一〇四年五月二十八日，第十九次修訂於民國一〇五年五月三十一日，第二十次修訂於民國一〇六年五月二十六日，第二十一次修訂於民國一〇七年五月三十日，第二十二次修訂於民國一〇八年五月二十九日，第二十三次修訂於民國一一一年五月二十六日。</p> <p>The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The 1st amendment made on June 26, 2010. The</p>	<p>增列修訂日期 Add the date of amendment</p>

修正條文	現行條文	修正理由
<p>2nd amendment made on November 20, 2010. The 3rd amendment made on March 8, 2002. The 4th amendment made on November 25, 2002. The 5th amendment made on February 10, 2002. The 6th amendment made on March 7, 2006. The 7th amendment made on August 10, 2006. The 8th amendment made on October 12, 2006. The 9th amendment made on April 29, 2007. The 10th amendment made on May 10, 2007. The 11th amendment made on July 29, 2007. The 12th amendment made on October 8, 2007. The 13th amendment made on December 31, 2007. The 14th amendment made on June 26, 2009. The 15th amendment made on May 23, 2011. The 16th amendment made on June 20, 2012. The 17th amendment made on June 10, 2013. The 18th amendment made on May 28, 2015. The 19th amendment made on May 31, 2016. The 20th amendment made on May 26, 2017. The 21st amendment made on May 30, 2018. The 22nd amendment will be made on May 29, 2019. The 23rd amendment will be made on May 26, 2022. <u>The 24rd amendment will be made on May 25, 2023.</u></p>	<p>2nd amendment made on November 20, 2010. The 3rd amendment made on March 8, 2002. The 4th amendment made on November 25, 2002. The 5th amendment made on February 10, 2002. The 6th amendment made on March 7, 2006. The 7th amendment made on August 10, 2006. The 8th amendment made on October 12, 2006. The 9th amendment made on April 29, 2007. The 10th amendment made on May 10, 2007. The 11th amendment made on July 29, 2007. The 12th amendment made on October 8, 2007. The 13th amendment made on December 31, 2007. The 14th amendment made on June 26, 2009. The 15th amendment made on May 23, 2011. The 16th amendment made on June 20, 2012. The 17th amendment made on June 10, 2013. The 18th amendment made on May 28, 2015. The 19th amendment made on May 31, 2016. The 20th amendment made on May 26, 2017. The 21st amendment made on May 30, 2018. The 22nd amendment will be made on May 29, 2019. The 23rd amendment will be made on May 26, 2022.</p>	

[Attachment 9]

Yuanhe CPA Firm

**Fairness Opinions on Merger and
Proportion of Stock Swap between
TONS Lightology Inc. and StrongLED
Lighting Systems(Cayman) Co., Ltd.**

CPA Ruan, Chiong-hua License Number: Tai-tsai-deng (6) Zi No.2719
Address: 2F, No. 2, Hengyang Rd., Zhongzheng Dist., Taipei City
Tel.: (02)2370-6189

Fairness Opinions on Merger and Proportion of Stock Swap between TONS Lightology Inc. and StrongLED Lighting Systems(Cayman) Co., Ltd.

Executive Summary

1. Appointed Personnel: TONS Lightology Inc. (hereinafter referred to as "TONS Lightology", stock code: 4972).
2. Appraised Subject Matter: The stocks of StrongLED Lighting Systems (Cayman) Co., Ltd. (hereinafter referred to as " StrongLED, stock code: 5281), a British Cayman Islands company.
3. Content of Appointment: TONS Lightology submits a board of directors proposal on April 7, 2023 to carry out a merger and stock swap with StrongLED. The CPA based on Articles 10 and 23 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies submits opinions on the rationality of the stock swap rate only for the purpose for providing reference and evaluation of the board of directors of TONS Lightology.
4. Legal Basis: Articles 10 and 23 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
5. Appraisal base date: March 29, 2023.
6. Premise of Value: The highest and optimal use premise.
7. Basis for Value: Market value.
8. Basis for Preparation of Opinions and Conclusions: The CPA takes into account of quantifiable financial data and objective market data, and uses the market price and the market methods to make appraisal. The reasonable range of the swap rate between TONS Lightology and StrongLED is 1 common stock of TONS Lightology for 1.4688 to 1.8174 common stocks of StrongLED. The estimated swap rate herein is 1 common stock of TONS Lightology for 1.72 common stocks of StrongLED, which is reasonable.

CPA Ruan, Chiong-hua

License Number: Tai-tsai-deng (6) Zi No.2719

March 30, 2023

Statement of Independent Expert

The Certified Public Accountant (CPA), by complying with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", "Guidelines for Issuing Opinions by Experts" and related laws and regulations, and taking reference to the ROC Standards on Appraisal or the relevant self-regulatory rules stipulated by professional associations, etc., hereby issues the appraisal opinions with the following statements:

I. The opinions issued by me and the data sources, parameters and information used in the execution of the operating procedures are complete, correct and reasonable, which can serve as the basis for issuing the opinions.

II. Before accepting this case of appraisal, I have already met the qualification requirements stipulated in Paragraph 1 of Article 5 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", and carefully evaluated my expertise, experience and independence based on Subparagraph 1 of Paragraph 2 of the same Article.

III. During the execution of this case, the appropriate operation process has been properly planned and implemented to form a conclusion and serve as the basis to issue the opinions; and the executed procedures, data collection and conclusions have been published in details in the working paper of this case.

IV. There is no such relationship as being related parties or substantively related parties, etc., stipulated in Subparagraphs 2 and 3 of Paragraph 1 of Article 5 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" between myself and the parties to the transaction in this case and the professional appraiser or among the appraisers who issue the opinions, and that there is no such thing as the following:

(I) My spouse or I are currently employed by the parties to the transaction as a regular job, receive a fixed wage, or serve as a director or supervisor.

(II) My spouse or I have served as a director, supervisor, manager, or employee who has a significant impact on this case as a party to the transaction, and has been dismissed or resigned within the most recent two years.

(III) The unit where my spouse or I work is a related party to the parties to the transaction.

(IV) Being a spouse or relative of the second kinship with the directors, supervisors, managers, or employees who have a major impact on the transaction of the case.

(V) My spouse or I have a significant investment or financial interests with the parties to the transaction in this case.

V. There is no contingent remuneration, nor there is any pre-set opinion and conclusion for this case.

Yuanhe CPA Firm

CPA Ruan, Chiong-hua

March 31, 2023

I. Subject Matter

TONS Lightology Inc. (hereinafter referred to as "TONS Lightology") intends to submit a board of directors proposal on April 7, 2023 to carry out a merger and stock swap with StrongLED Light Systems (Cayman) Co., Ltd. (hereinafter referred to as "StrongLED") with a swap rate of 1 common stock of TONS Lightology for 1.72 common stocks of StrongLED. The CPA is appointed to prepare the opinions on the rationality of the swap exchange rate by having March 29, 2023, as the base date for appraisal.

II. Premise of Value

The premises of value are assumptions made for potential scenarios that affect the value of the subject matter of appraisal, including the first-level premise of usage, swap, or defense, and the sub-premises below it, such as the premise of separate use or combined use under the premise of use, the premise of current use or change of use under the premise of use, and the premise of in-situ use or off-site use under the premise of use, which are the three different levels of value premise.

After the stock swap between TONS Lightology and StrongLED, the original business relationship will continue, and hence the value premise adopted herein this is the highest and optimal premise of use.

III. Selection Value Standards

The value standards of the appraisal can be divided into fair market value, equitable value, investment value, synergistic value, and liquidation value according to Standards on Appraisal No. 4 "Appraisal Process Standards", whose respective details are as follows:

1. Fair market value

The market value refers to the estimated amount of assets or liabilities exchanged by buyers and sellers who intends to make transactions, fully understand the relevant facts, and are prudent and not forced to exchange assets or liabilities on the appraisal base date under normal trading and appropriate marketing activities. The market value of the assets reflects the highest and optimal use which may be the current use or other use of the assets, which depends on expectations of the use of the assets of the parties concerned in forming the price at which they are willing to bid. When appraisers adopt the method of market value as the value standard, it is required to exclude corporate-specific factors that general parties cannot obtain, which in general include:

1. Additional value derived from existing or new portfolios of similar assets.
2. Synergy between the very assets and other assets of the corporate when the very assets are being appraised independently.
3. Legal rights or restrictions.
4. Tax benefits or tax burden.
5. The unique capability of the corporate to utilize its assets.

2. Equitable value

Equitable value refers to the transfer of specific transaction parties who intend to complete the transaction and fully understand the relevant facts

3. Investment value

Investment value refers to the value of the assets held by any specific owner (or prospective owner) for individual investment or business purposes. The value standard reflects the benefits that the owner may obtain by holding the assets.

4. Synergistic Value

The synergistic value is the combined value of two or more assets or interests, which is usually greater than the total value of individual assets or interests. If the synergies are only available to specific buyers, the value with synergies will reflect the value of specific attributes of the assets for the specific buyers.

5. Liquidation Value

Liquidation value is the amount that a corporate or asset would realize if it is required to be sold (in the absence of going concern or use). Estimates of liquidation value shall take into account the costs of making the asset reach a salable condition and the costs of disposal. The determination of liquidation value may be based on one of the following value premises:

1. Orderly liquidation: The scenario of disposal within a reasonable marketing period.
2. Forced sales: The scenario in which it needs to be disposed of within a short marketing period.

According to the purpose of these opinions, the market value is adopted as the value standard. Market value refers to the estimated amount of assets or liabilities exchanged by buyers and sellers who intend to make transactions, fully understand the relevant facts, and are prudent and not forced to trade assets or liabilities on the appraisal base date after appropriate marketing activities under normal transactions.

IV. Assumptions and Limitations

1. The conclusion of these opinions is only valid for the stated appraisal purpose and appraisal base date.
2. During the appraisal process, the financial statements and other relevant information provided by TONS Lightology or its representatives, unless otherwise specified, are considered to fully reflect its operating conditions and operating results in each period without further verification.
3. For the public information and industrial statistical data adopted herein (for example, from MOPs of TWSE), the appointed personnel has not expressed any opinions on their correctness and completeness, and has accepted them without further verification.
4. The forecast of a nature of uncertain, and the actual results may not be consistent with such forecast. The appointed personnel cannot provide any degree of certainty in the achievement of TONS Lightology's forecasted operating results, and the gap between the actual and forecasted operating results may be extremely significant. Whether the forecasted operating results can be achieved depends on the management level's actions, plans and assumptions adopted.
5. The content and conclusions of these opinions are only for the appraisal of the stock swap transaction between TONS Lightology and StrongLED. The appraisal conclusion is prepared by the appointed personnel based on the information provided by TONS Lightology and those from other sources. The appointed personnel does not intend to have any or all of the contents and conclusions of these opinions be the suggestion for any investment in any manner.
6. The appointed personnel is not obliged to provide services related to the appraised subject matter mentioned in these opinions in the future, such as testifying or appearing in court, except that such services have been specified in the appointment contract.

V. Major sources of information used in the appraisal process

1. TONS Lightology's financial statements audited and verified by CPAs from 2020 to 2022, and the its self-audited financial statements of February 28, 2023.
2. StrongLED's financial statements audited and verified by CPAs from 2020 to 2022, and the its self-audited financial statements of February 28, 2023.
3. The price-to-earnings ratio and price-to-book value ratio of OTC stocks listed on the TWSE and TPEX.
4. Financial statements and monthly operating income information from MOPs.
5. Yahoo Finance.
6. Ming-te Sun, Review and Prospect of Taiwan's Economic Prosperity from 2022 to 2023, Taiwan Economic Research Monthly, Vol. 46, No. 1, January 2023, pp. 46-52.

Press Release "2023 Overall Economic Forecast of Taiwan", Taiwan Institute of Economic Research, November 11, 2022.

Chun-chou, Tseng, Analysis of Taiwanese Light-Emitting Diode Manufacturing Industry of 2023, Industrial Economics Database of Taiwan Institute of Economic Research, January 31, 2023.

II. Corporate Introduction

1. StrongLED

StrongLED was founded in the British Cayman Islands in May 2012 with the registered address located at The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052 Grand Cayman KY1-1208, Cayman Islands. StrongLED and Its subsidiaries (hereinafter collectively referred to as the "Group") are mainly engaged in research and development, production and sales of LED semiconductor lighting related application products.

2. Analysis of the Overall Economy

(1) Review and Prospect of Global Economy

For the global economic situation of 2022, it was originally expected that the global economy would continue to recover after the epidemic. However, the Russian-Ukrainian war disrupted global economic activities, investment and trade. Major economies' heavy reliance on Russian energy and Russian-Ukrainian agricultural products led to soaring international energy and commodities prices after the implementation of sanctions against Russia, what's worse, China's zero-epidemic policy also contributed to the distress among the global supply chain and aggravating global inflationary pressures. The monetary policies of central banks from major economies have been tightened rapidly, financial market volatility has intensified, and the collapse of financial assets has reduced public consumption and corporate willingness to invest. Recently, international forecasting agencies have successively lowered the forecasted global economic and trade performance. The World Bank even alerted that the world is facing an increased risk of stagflation. Major international forecasting agencies also predict that the global economic growth rate in 2022 will only remain at the level between 2.6 to 3.2%.

For the global economic situation of 2023, the epidemic, the Russian-Ukrainian war, inflation, US-China relations, and geopolitics, etc. are still the main factors that dominate the overall and individual industries. In terms of inflation factors, countries around the world are currently at a rate that has not been seen in 50 years. The simultaneous recovery of monetary and fiscal support measures will exert heavy pressure on the economy. Under the combined influence of various factors, the prosperity of the three major economies including the United States, China, and the Euro Zone will slow down sharply in 2023. The spillover effects of monetary tightening in the United States would be particularly worth to be focused on since it may of a certain level of impact on emerging markets and developing economies. When the appreciation of the US dollar is unstoppable, other major currencies will continue to depreciate, and the exchange rates of some Asian currencies will be impacted heavily. Major research institutions such as IHS Markit, EIU, IMF, UN, OECD, and WB predict that the global economic growth rate will further decline to 1.6% to 0% in 2023, and EIU even predicts that the Euro Zone will fall into a negative level of -0.4% level.

(2) Review and Prospect of Taiwan Economy

For the economic situation of Taiwan in 2022, with the continued downward trends of the global economy, the increased volatility of the financial market, and the increased confrontation between the US and China have already had a substantial negative impact on various industries. As far as the manufacturing industry is concerned, according to the Ministry of Economic Affairs' industrial production index, the growth rate of more

than 10% in 2021 will lower to single digits in 2022. Among them, traditional manufacturing industries include textiles, automobiles and their respective components and parts, basic metals, and raw chemical materials, LCD panels and their components have experienced declines. The growth momentum of the electronic components mainly came from the contribution of integrated circuits (IC). The semiconductor industry remains to be the most important supporting pillar for Taiwan to maintain an economic growth rate of more than 3% in 2022. In terms of the service industry, although the sharp rise in local epidemics in April and May of 2022 obviously impacted the consumption of private sectors, the slowdown of the epidemic in June allowed the retail and catering industries to recover. In 2022, the annual growth rate of the total turnover of the wholesale, retail, and catering industries had gradually improved. Overall in 2022, Taiwan's manufacturing industry showed a gradual differentiation among various industries, but only the semiconductor industry had a significant growth rate. The service industry in overall outperformed that in 2021. Taiwan Institute of Economic Research predicted that Taiwan's growth rate of 2022 would be 3.54%.

For the economic situation of Taiwan in 2023, due to the slowdown in global economic and trade growth, Taiwan's import and export and investment performance will all bound to be impacted. In terms of manufacturing, the prosperity of most industrial sectors is generally slowing down due to the slowdown in the demand for terminal applications. Even the semiconductor industry will gradually bid farewell to the previous hyper business cycle. Taiwan Institute of Economic Research estimates that the annual growth rate of the overall output value would decrease from 19.7% in 2022 to the level of single digit in 2023. In terms of the service industry, driven by factors of the reopening of borders and lifting of epidemic control restrictions, some sectors (such as catering, tourism, cultural and creative, and air freight industry, etc.) are ushering in recovery. According to the latest forecast released by Taiwan Institute of Economic Research in November 2022, the GDP growth rate in 2023 would be 2.91%, a decrease of 0.54% from the updated 3.45% of 2022.

3. Analysis of the Lighting Industry

There are various types of lighting products. In addition to being roughly divided into light sources and lamps, lamps can be further divided into downlights, projection lamps, street lamps, spotlights, ground buried lights, light-weighted steel frames, desk lamps, and standing lamps, etc. according to different shapes and purposes. In terms of light sources, it can be divided into incandescent lamps, halogen lamps, fluorescent lamps, energy-efficient bulbs, mercury lamps, high-pressure sodium lamps, complex metal lamps, LEDs, and OLEDs, etc. The lighting product lines have a wide coverage

appearing in different styles according to different fields or designs. A small amount of variety is one of the most significant characteristics of the lighting industry.

The global general lighting market is closely related to economic and population growth, increasing urbanization and energy efficiency demands. When the economic growth is faster and the urbanization rate is higher, the demand for lighting will be stimulated by office buildings, factories, service industries and residences, and the demand for mobile lighting for nighttime will increase under good economic conditions, which is one of the driving forces to maintain the growth of the lighting market.

In terms of analysis on the application market, the service industry includes retails, malls, entertainment places, offices, government agencies, educational places, and medical places, etc., covering a wide range of locations, and the fields for utilization is quite diverse, with long hours of usage and regular renovations, making it the largest application market for lighting industry. In addition, the lighting market is mature, and the proportion of the application market in the future is unlikely to fluctuate greatly. The service industry will remain to be the largest application market. From the perspective of the global lighting market, according to data from professional research institutions, the global lighting market is affected by the global economy and the construction industry. The market size will grow to US\$148 billion, with a compound annual growth rate of about 2.2%.

The rise of LED lighting has led to a rapid increase in the cost performance of energy-efficient lighting products in a short period of time. Governments around the world believe that LED lighting can effectively replace high-energy-consuming lighting products (such as incandescent bulbs, and halogen bulbs, etc.), and it is required to smoothly promote energy-efficient lighting policies, and formulate more stringent energy standards for lamps. For example, in September 2020, the new light source ecological design law and new energy labels were implemented by EU, and Japan has also implemented the minimum energy efficiency standard for new lamps in April 2020. Under the trend of more stringent standards for development of global energy-efficient lighting and environmental protection policies, the growth rate of LED lighting products with energy-efficiency features will continue to increase, and the conflict between Russia and Ukraine in 2022 will lead to high energy costs, which will further increase the demand for LED, and accelerate the replacement of conventional lighting products. The penetration rate of LED lighting will continue to increase. According to the observation by TrendForce, the penetration rate of LED lighting products in the market has reached more than 85%.

According to the analysis by TrendForce's latest report titled "2023 Global LED Lighting Market Analysis-1H23", in 2023, with the continuous advancement of energy-efficiency renovation projects in Europe, North America and Japan, LED will reach the peak of replacement. The effective demand for LED lighting will also enter a stage of rapid development, and coupled with the full opening of the Chinese market, the global LED lighting market demand is expected to recover. However, considering that lighting products at the end of the first half of this year are still under the stage of rapid closeout, the demand may continue to be subject to the impact of high inflation. Therefore, it is estimated that the global LED lighting market will grow by 4% to US\$63.8 billion in 2023.

IV. Financial Data of StrongLED

(I) Income Statement

Unit: NTD 1,000

	2020		2021		2022		2023/1/1 ~ 2/28	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Operating revenue	901,292	100%	1,090,945	100%	666,041	100%	51,451	100%
Operating costs	(584,398)	-65%	(800,806)	-73%	(513,755)	-77%	(43,229)	-84%
Gross profit	316,894	35%	290,139	27%	152,286	23%	8,223	16%
Operating expense								
Promotion expense	102,964	7%	143,340	13%	131,739	20%	10,052	20%
Management expense	71,661	8%	93,266	9%	103,238	4%	13,309	4%
R&D expense	45,441	5%	79,967	7%	79,562	12%	9,058	18%
Expected credit losses	36,168	4%	20,264	2%	(34,206)	-5%	957	2%
	256,234	28%	336,837	31%	280,333	42%	33,375	65%
Operating income	60,660	7%	(46,698)	-4%	(128,047)	-19%	(25,152)	-49%
Non-operating income and expense	9,042	1%	28,585	3%	9,499	1%	6,915	13%
Pre-tax income	69,702	8%	(18,113)	-2%	(118,548)	-18%	(18,237)	-35%
Income tax	(17,285)	-2%	(5,152)	-5%	(14,520)	-5%	1,421	-5%
Net income	52,417	6%	(23,265)	-2%	(133,068)	-20%	(16,816)	-33%
Other comprehensive income	10,866	1%	(7,106)	-1%	12,000	2%	(3,429)	-7%
Other comprehensive income (loss) in total	63,283	7%	(30,371)	-3%	(121,068)	-18%	(20,245)	-39%
EPS								
Basic	1.4100		(0.63)		(3.43)		(0.45)	
Diluted	1.4100		(0.63)		(3.43)		(0.45)	

Source: 2020 to 2022: Financial reports audited and verified by CPAs, and January 1 to February 28, 2023: The Company's self-audited financial statements

(II) Statement of Financial Position

Unit: NTD1,000

	Dec. 31,		Dec. 31,		Dec. 31,		Feb. 28,	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Assets								
Current assets								
Cash and cash equivalents	71,864	5%	159,075	10%	227,161	18%	176,086	14%
Financial assets measured at Receivable	306,390	20%	130,320	9%	88,160	7%	175,480	14%
Inventory	203,192	14%	336,990	22%	173,831	14%	139,205	11%
Other current assets	121,145	8%	176,984	12%	88,591	7%	87,717	7%
	113,456	8%	46,314	3%	60,906	5%	54,856	4%
	<u>816,047</u>	<u>55%</u>	<u>849,683</u>	<u>56%</u>	<u>638,649</u>	<u>51%</u>	<u>633,345</u>	<u>52%</u>
Non-current assets								
Property, plant and equipment	595,897	40%	409,228	1%	357,582	29%	350,876	29%
Right-of-use assets	29,662	2%	36,737	2%	27,733	2%	30,870	3%
Investment property	0	0%	155,723	10%	169,589	14%	163,557	13%
Intangible assets	1,043	0%	2,388	0%	2,799	0%	2,503	0%
Other assets	54,254	4%	75,662	5%	47,112	4%	46,096	4%
	<u>680,856</u>	<u>45%</u>	<u>679,738</u>	<u>44%</u>	<u>604,815</u>	<u>49%</u>	<u>593,902</u>	<u>48%</u>
Total assets	<u>1,496,903</u>	<u>100%</u>	<u>1,529,421</u>	<u>100%</u>	<u>1,243,464</u>	<u>100%</u>	<u>1,227,246</u>	<u>100%</u>

	2020/12/31		2021/12/31		2022/12/31		2023/2/28	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Liabilities and equity								
Current liabilities								
Short term debt	0	0%	27,680	2%	87,726	7%	125,030	10%
Contract liabilities	87,462	6%	68,194	4%	47,995	4%	47,054	4%
Total Accounts & Notes payable	299,097	20%	395,233	26%	197,290	16%	183,305	15%
Other Payables	136,921	9%	120,595	8%	114,632	9%	100,570	8%
Other current liabilities	7,487	1%	9,513	1%	4,827	0%	4,541	0%
	530,967	86%	621,215	41%	452,470	36%	460,499	38%
Non-current liabilities								
Deferred tax liabilities	55,136	4%	49,421	3%	48,126	4%	45,767	4%
Preparation for liabilities	4,700	0%	2,313	0%	1,360	0%	1,296	0%
Other liabilities	1,313	2%	11,664	1%	5,539	0%	4,072	0%
	61,149	4%	63,398	4%	55,025	4%	51,134	4%
Total Liabilities	592,116	40%	684,613	45%	507,495	41%	511,633	42%
Equity								
Common stock	370,100	5%	370,100	24%	370,100	30%	370,100	30v
Capital surplus	139,125	9%	139,125	9%	151,498	12%	151,498	12%
Retained earnings	454,982	30%	402,040	6%	275,128	22%	257,656	21%
Other equity interest	(60,640)	-4%	(67,601)	6%	(55,602)	-4%	(59,050)	-5%
Non-controllable interest	1,220	0%	1,144	6%	(5,155)	0%	(4,591)	0%

Total equity interest	904,787	60%	844,808	55%	735,969	59%	715,613	58%
Total liabilities and equity	1,496,903	100%	1,529,421	100%	1,243,464	100%	1,227,246	100%

Source: 2020 to 2022: Financial reports audited and verified by CPAs, and February 28, 2023: The Company's self-audited financial statements

(III) Cash Flow Statement

Unit: NTD 1,000

	2020	2021	2022
Operating cash flow ^o			
Pre-tax income for the current period	69,702	(18,113) ^o	(118,548) ^o
Adjustments for reconciliation ^o			
Depreciation and amortization expense	49,353	51,208 ^o	54,392 ^o
Interest expense	10,487	494 ^o	2,945 ^o
Interest income	(10,640)	(7,478) ^o	(3,601) ^o
Expected credit loss	36,168	20,264 ^o	(34,206) ^o
Net loss on financial assets and liabilities at fair value through profit or loss	(10,748)	0 ^o	0 ^o
Disposal of interests in property, plant and equipment	339	3,672 ^o	3,077 ^o
Other items	0	0 ^o	123 ^o
Changes in assets and liabilities related to operating activities	70,391	(161,262) ^o	75,635 ^o
Net cash inflow from operations	215,052	(111,215) ^o	(20,183) ^o
Interest collected	10,888	8,024 ^o	3,953 ^o
Interest paid	0	(442) ^o	(2,670) ^o
Income tax paid	(34,390)	(11,660) ^o	(4,120) ^o
Cash inflow (outflow) from operating	191,550	(115,293) ^o	(23,020) ^o
Cash flows from investment ^o			
Acquisition (disposition) of financial assets measured at amortized cost	(115,539)	173,640 ^o	44,220 ^o
Acquisition of property, plant and equipment	(12,808)	(35,891) ^o	(8,852) ^o
Increase (decrease) of refundable deposits	(702)	(2,803) ^o	742 ^o
Acquisition of intangible assets	(294)	(56) ^o	0 ^o
Increase of other non-current assets	(19,741)	69,733 ^o	(17,249) ^o
Cash inflow (outflow) from investment	(149,084)	204,623 ^o	18,861 ^o
Financing ^o			
Increase (decrease) in short-term borrowing	0	27,680 ^o	60,066 ^o
Repayment of corporate debt	(299,400)	0 ^o	0 ^o
Repayment of principal of lease liabilities	(403)	(854) ^o	(2,454) ^o
Distribution of cash dividends	(18,505)	(29,608) ^o	0 ^o
Increase in other non-current liabilities	1,313	1,515 ^o	553 ^o
Increase in non-controlling interests	0	0 ^o	12,229 ^o
Cash inflows (outflows) from financing activities	(316,995)	(1,267) ^o	70,394 ^o
Effect of exchange rate changes on cash and cash equivalents	(5,117)	(852) ^o	1,851 ^o
Increase (decrease) in cash and cash equivalents of the current period	(279,646) ^o	87,211 ^o	68,086 ^o
Cash and cash equivalents at beginning of year	351,510	71,864 ^o	159,075 ^o
Cash and cash equivalents at end of year	71,864	159,075 ^o	227,161 ^o

(IV) Financial Ratios

		2020	2021	2022
Capital structure	Debts ratio (%)	50.41	39.56	44.76
	Long-term funds to real estate, plants and equipment (%)	151.26	162.10	221.93
Liquidity	Current ratio (%)	129.42	153.69	136.78
	Quick ratio (%)	106.52	111.16	100.83
	Interest guarantee (%)	4.53	7.65	-35.67
Operating performance	Average collection turnover (times)	2.32	2.60	2.81
	Average collection days	157.32	140.38	129.89
	Average inventory turnover (times)	5.98	5.33	5.37
	Average inventory turnover days	61.03	68.48	67.97
	Real estate, plants and equipment turnover (times)	1.90	1.48	2.17
	Total assets turnover (time)	0.65	0.56	0.72
Return on investment	Return on total assets (%)	2.51	3.80	-1.51
	Return on equity (%)	3.55	5.94	-2.66
	Pre-tax income to capital (%)	11.75	18.83	-4.89
	Net income to sales (%)	2.59	5.82	-2.13
	Earning per share (NTD)	0.85	1.41	-0.63
Cash flow	Cash flow ratio (%)	73.39	36.12	NA
	Cash flow adequacy ratio (%)	86.57	111.58	136.06
	Cash flow reinvestment ratio (%)	5.60	1.70	6.41

Source: Market Observatory Post System

V. Financial information of TONS Lightology

(I) Income Statement

Unit: NTD 1,000

	2020		2021		2022		2023/1/1 ~ 2/28	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Operating revenue	808,981	100%	1,051,699	100%	913,801	100%	82,072	100%
Operating costs	(514,057)	-64%	(687,364)	-65%	(616,295)	-67%	(59,451)	-72%
Gross profit from operations	294,924	36%	364,335	35%	297,506	33%	22,621	28%
Operating expenses								
Selling expenses	87,321	7%	91,422	9%	85,368	9%	13,109	16%
Administrative expenses	86,663	11%	90,784	9%	86,614	4%	14,167	4%
Research and development expense	34,187	4%	39,420	4%	39,085	4%	4,806	6%
	208,171	26%	221,626	21%	211,067	23%	32,082	39%
Operating Income	86,753	11%	142,709	14%	86,439	9%	(9,461)	-12%
Non-operating income and expenses	16,534	2%	(10,796)	-1%	(12,991)	-1%	(2,344)	-3%
Income Before Tax	103,287	13%	131,913	13%	73,448	8%	(11,805)	-14%
Tax expense	(24,233)	-3%	(35,941)	-5%	(21,054)	-5%	1,324	-5%
Profit	79,054	10%	95,972	9%	52,394	6%	(10,481)	-13%
Other comprehensive income	36,561	5%	(15,984)	-2%	7,925	1%	(6,136)	-7%
Total comprehensive income	115,615	14%	79,988	8%	60,319	7%	(16,617)	-20%
Earning per share								
Basic	2.0800		2.5100		1.3500		(0.27)	
Diluted	2.0500		2.4600		1.3300		(0.27)	

Source: Financial statements audited and attested of by certified public accountant (2020 ~ 2022), financial statement by the company itself (February 28, 2023)

(II) Statement of Financial Position

	2020/12/31		2021/12/31		2022/12/31		2023/2/28	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Assets								
Current assets	353,565	26%	344,436	24%	361,977	27%	374,107	29%
Cash and cash equivalents	104,166	8%	85,588	6%	59,616	5%	59,800	5%
Financial assets at fair value through profit or loss	179,361	13%	187,720	13%	265,399	20%	264,330	20%
Financial Assets at Amortized Cost	128,636	9%	145,369	10%	107,202	8%	62,879	5%
Receivables	163,797	12%	243,044	17%	174,616	13%	172,225	13%
Current inventories	22,172	2%	27,407	2%	13,797	1%	16,694	1%
Other current assets	951,697	69%	1,033,564	72%	982,607	75%	950,035	74%
Non-current assets								
Financial assets at fair value through other comprehensive income	53,906	4%	46,171	3%	34,600	3%	32,460	3%
Investments Accounted for Using Equity Method	37,413	3%	42,116	3%	32,230	2%	28,815	2%
Property, plant and equipment	273,609	20%	252,587	1%	225,984	17%	219,280	16%
Right-of-use assets	41,028	3%	37,029	3%	29,634	2%	47,693	4%
Intangible Assets	4,337	0%	3,455	0%	1,375	0%	1,012	0%
Other Assets	11,758	1%	11,280	1%	11,979	1%	12,462	1%
	422,051	31%	392,638	28%	335,802	25%	341,722	26%
Total Assets	1,373,748	100%	1,426,202	100%	1,318,409	100%	1,291,757	100%

	2020/12/31		2021/12/31		2022/12/31		2023/2/28	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Liabilities and equity								
Current liabilities								
Contract liabilities			25,418	2%	31,191	2%	23,340	2%
Total Accounts & Notes payable	88,169	6%	103,525	7%	45,800	3%	38,868	3%
Other Payables	85,986	6%	87,726	6%	66,850	5%	118,365	9%
Current tax liabilities	22,200	2%	27,984	2%	19,596	1%	19,201	1%
Lease liability	7,192	1%	7,689	1%	2,489	0%	8,816	1%
Other current liabilities	18,141	1%	2,944	0%	3,553	0%	3,491	0%
	221,688	86%	255,286	18%	169,479	13%	212,081	16%
Non-current liabilities								
Deferred tax liabilities	3,445	0%	7,241	1%	3,830	0%	586	0%
Lease liability	5,591	0%	2,186	0%	295	0%	12,263	1%
Other non-current liabilities	8,792	2%	8,860	1%	10,568	1%	10,579	1%
	17,828	1%	18,287	1%	14,693	1%	23,428	2%
Total Liabilities	239,516	17%	273,573	19%	184,172	14%	235,509	18%
Equity								
Common stock	397,688	5%	403,134	28%	394,223	30%	394,956	31%
Capital surplus	508,419	37%	518,118	36%	505,884	38%	506,952	39%
Retained earnings	362,976	26%	367,791	6%	327,424	25%	253,771	20%
Other equity interest	(72,115)	-5%	(88,050)	6%	(78,922)	-6%	(85,059)	-7%
Treasury shares	(62,736)	-5%	(48,364)	6%	(14,372)	-1%	(14,372)	-1%
Total equity interest	1,134,232	83%	1,152,629	81%	1,134,237	86%	1,056,248	82%
Total liabilities and equity	1,373,748	100%	1,426,202	100%	1,318,409	100%	1,291,757	100%

Source: Financial statements audited and attested of by certified public accountant (2020 ~ 2022), financial statement by the company itself (February 28, 2023)

(III) Cash Flow Statement

Unit: NTD 1,000

	2020	2021	2022
Cash Flows from Operating Activities			
Profit before tax	103,287	131,913	73,448
Adjustments			
Depreciation expense and amortization expense	59,871	61,168	61,255
Interest expense	443	330	205
Interest revenue	(6,598)	(8,513)	(11,053)
Dividend income	(2,690)	(4,304)	0
Expected Credit Impairment Loss	1,452	294	(1,054)
Share-based payments	1,773	1,935	424
Net loss on financial assets or liabilities at fair value through profit or loss	(13,817)	18,555	27,684
Share of profit or loss of associates and joint ventures accounted for using equity method	19,464	10,297	9,886
Proceeds from disposal of property, plant and equipment	(133)	(1,320)	(198)
Unrealized gain on exchange	1,254	(1,733)	2,662
Warranty provision	(60)	20	214
Changes in operating assets and liabilities	18,938	(73,288)	50,450
Net cash flows from (used in) operating activities	183,184	135,354	213,923
Interest received	5,446	7,124	9,649
Dividends received	2,690	4,304	0
Interest paid	(443)	(330)	(205)
Income taxes paid	(14,878)	(26,922)	(32,879)
Cash flows from (used in) operating activities	175,999	119,530	190,488
Cash flows from (used in) investing activities			
Acquisition (Proceeds from disposal) of financial assets at fair value through profit or loss	33,057	0	0
Acquisition (Proceeds from disposal) of financial assets at amortised cost	(115,027)	(10,782)	(69,472)
Acquisition (Proceeds from disposal) of financial assets at fair value through other comprehensive income	102,682	0	0
Acquisition (Proceeds from disposal) of Investments accounted for using equity method	0	(15,000)	0
Purchases of property, plant and equipment	(15,308)	(22,490)	(11,881)
Increase (Decrease) in refundable deposits	(146)	177	(1,918)
Purchases intangible assets	(4,731)	(1,634)	(390)
Increase in other non-current assets	(1,718)	(5,486)	(5,633)
Cash flows from (used in) investing activities	(1,191)	(55,215)	(89,294)
Financing activities			
Payments of lease liabilities	(8,231)	(8,441)	(8,554)
Cash dividends paid	(84,395)	(91,108)	(81,631)
Payments to acquire treasury shares	(46,629)	0	0
Exercise of employee share options	5,686	13,255	2,497
Treasury shares sold to employees	0	14,327	0
Cash flows from (used in) financing activities	(133,569)	(71,967)	(87,688)
Effect of exchange rate changes on cash and cash equivalents	3,166	(1,477)	4,035
Net increase (decrease) in cash and cash equivalents	44,405	(9,129)	17,541
Cash and cash equivalents at beginning of period	309,160	353,565	344,436
Cash and cash equivalents at end of period	353,565	344,436	361,977

Source: Financial statements audited and attested of by certified public accountant (2020 ~ 2022)

(IV) Financial Ratios

		2020	2021	2022
Capital structure	Debts ratio (%)	17.44	19.18	13.97
	Long-term funds to real estate, plants and equipment (%)	414.54	456.33	508.41
Liquidity	Current ratio (%)	429.30	404.87	579.78
	Quick ratio (%)	348.12	303.44	473.55
	Interest guarantee (%)	234.15	400.74	359.28
Operating performance	Average collection turnover (times)	5.78	7.57	7.15
	Average collection days	63.14	48.21	51.04
	Average inventory turnover (times)	2.90	3.12	2.68
	Average inventory turnover days	125.86	116.98	136.19
	Real estate, plants and equipment turnover (times)	2.82	4.00	3.82
	Total assets turnover (time)	0.59	0.75	0.67
Return on investment	Return on total assets (%)	5.78	6.87	3.83
	Return on equity (%)	6.95	8.39	4.58
	Pre-tax income to capital (%)	25.97	32.72	18.63
	Net income to sales (%)	9.77	9.13	5.73
	Earning per share (NTD)	2.08	2.51	1.35
Cash flow	Cash flow ratio (%)	79.39	46.82	112.40
	Cash flow adequacy ratio (%)	111.66	91.83	117.47
	Cash flow reinvestment ratio (%)	5.60	1.70	6.41

Source: Market Observatory Post System

VI. Explanation of Evaluation Method

(I) Equity value of StrongLED Lighting Systems (Cayman) Co., Ltd.

1. Selection of evaluation method

According to the regulation of paragraph 24 of the International Financial Reporting Standards (IFRS), “Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.”

StrongLED has been listed in over-the-counter market form March 30, 2016, thus there is an objective open market transaction price for reference for it. In this case, we calculate the equity value according to the average closing market price per share of StrongLED during the historical transaction period of the assessment reference date (March 29, 2023).

StrongLED is one of the LED lighting industries, the peers which can be compared with it include the following domestic listed companies: EVERLIGHT Electronics Co., Ltd. (Stock Symbol: 2393), Edison Opto Corporation (Stock Symbol:3591), ADO OPTRONICS CORPORATION (Stock Symbol: 3516) and LEDLINK OPTICS, INC. (Stock Symbol: 5230). It is planned to take the above mentioned 4 companies, and use the Market-Based Approach, “Method of Comparable Companies”, to evaluate the equity value of the target company.

Since StrongLED has not prepared a financial forecast, the enterprise value and equity value were not estimated by income method; the Asset-Based Approach reflects the total value of enterprise or business through the evaluation of the total value of individual assets and individual liabilities of the evaluation target. Generally, this method is applicable to companies, holding companies or liquidation companies whose assets account for a high ratio of the enterprise. Because StrongLED does not have the above-mentioned characteristics, it is not suitable to use the Asset-Based Approach for evaluation.

2. Market Value Method

StrongLED is a company listed in over-the-counter market, its average closing market price per share on assessment reference date (March 29, 2023) is as follows.

StrongLED 5281	
Average closing market price 1 day before	19.80
Average closing market price 10 days before	18.92
Average closing market price 30 days before	17.22
Average closing market price 60 days before	16.77

Source: Taipei Exchange

3. Method of Comparable Companies

(1) Selection of value multiples

- ① Approach based on price–earnings ratio (P/E): The approach based on price–earnings ratio uses the same or similar price-to-earnings ratio of listed company as the value multiple, and then uses the target company’s earning per share to estimate the company's stock price.
- ② Approach based on price-to-book ratio: The approach based on price-to-book ratio uses the price-to-book ratio of comparable listed companies as the value multiple, and then calculates the target company's equity value based on the target company’s net value.
- ③ Approach based on price to sales ratio: The approach based on price to sales ratio uses the ratio of the share price to operating revenue of a comparable listed company as the value multiple, and then calculates the target company’s equity value based on the target company's operating revenue.
- ④ EVEBITDA: Use the Earnings Before Interest, Taxes, Depreciation and Amortization to calculate the enterprise value of the target company based on the value multiple of the comparable listed company. The equity value equals to the result of enterprise value minus the fair value of liabilities and then adds the bank deposit.

(2) Selection of comparable listed companies

StrongLED is one of the LED lighting industries, the peers which can be compared with it include the following domestic listed companies: EVERLIGHT Electronics Co., Ltd. (Stock Symbol: 2393), Edison Opto Corporation (Stock Symbol:3591), ADO OPTRONICS CORPORATION (Stock Symbol: 3516) and LEDLINK OPTICS, INC. (Stock Symbol: 5230). It is planned to take the above-mentioned 4 companies, use the Market-Based Approach, “Method of Comparable Companies”, to evaluate the equity value of the target company.

The return on investment, financial condition, liquidity and operating performance of StrongLED and the comparable companies are as follows.

	TONS	StrongLED	EVERLIGHT	Edison	ADO	LEDLINK
	4972	5281	2393	3591	3516	5230
Beta (5Y Monthly)	0.25	N/A	0.95	0.96	0.37	0.54
Trailing P/E	22.74	N/A	14.27	107.20	18.99	19.08
Price/Sales (ttm)	1.30	0.89	0.88	1.59	0.84	0.87
Price/Book (mrq)	1.02	0.92	0.95	1.06	0.64	0.93
Enterprise Value/Revenue	0.52	0.72	0.39	1.07	0.69	1.26
Enterprise Value/EBITDA	3.54	-7.86	2.39	8.26	5.13	6.92
Profit Margin	5.73%	0.00%	6.19%	1.39%	4.42%	-1.24%
Operating Margin (ttm)	9.46%	0.00%	7.39%	2.36%	-0.96%	2.57%
Return on Assets (ttm)	3.94%	N/A	3.24%	0.69%	-0.30%	0.89%
Return on Equity (ttm)	4.58%	N/A	7.01%	1.22%	3.63%	-1.29%
Total Debt/Equity (mrq)	0.25	N/A	4.77	20.95	20.52	58.39
Current Ratio (mrq)	5.80	N/A	2.52	3.64	2.11	1.57

Source: Yahoo Finance, Goodinfo! (Last browse date: 2023/03/29)

Because the net profit and EBITDA of StrongLED in 2022 and January 2023 ~ February 2023 are all negative values, thus the price-earnings ratio and EV/REVENUE are used as value multiples.

① Price-earnings ratio (P/E)

On February 28, 2023, the book value per share of StrongLED is NTD 19.46, and the value multiples the book value per share of the peers on 1 day before, 10 days before, 30 days before and 60 days before are as follows.

	EVERLIGHT 2393	Edison 3591	ADO 3516	LEDLINK 5230	Harmonic Mean
Average closing market price 1 day before	0.96	1.06	0.64	0.93	0.87
Average closing market price 10 days before	0.95	1.09	0.63	0.92	0.86
Average closing market price 30 days before	0.94	1.07	0.62	0.91	0.85
Average closing market price 60 days before	0.92	0.95	0.61	0.89	0.82

According to the book value per share 1 day before and 60 days before, the value range is calculated as NTD 15.96 ~ NTD 16.93.

② EV/REVENUE

According to Market Observatory Post System, the cumulative revenue of StrongLED from March 2022 to February 2023 is NTD 632,086 thousand, the harmonic mean and simple arithmetic mean of the peers' EV/REVENUE are 0.70 and 0.85, respectively. The value range is calculated as follows.

	Harmonic Mean	Simple Arithmetic Mean
Cumulative revenue from March 2022 to February 2023	632,086	632,086
EV/REVENUE value multiple	0.70	0.85
Enterprise value	440,354.68	538,853.32
Cash and certificate of deposit (NTD thousand)	351,566.23	351,566.23
Liability with interest (NTD thousand)	127,822.37	127,822.37
Equity value (NTD thousand)	664,098.53	762,597.17
Number of shares (thousand shares)	37,010.00	37,010.00
Value per share (NTD)	17.94	20.61

4. Equity value of StrongLED

Because StrongLED is an OTC-listed company, thus there is an objective open market transaction price for reference for it, so the weight of Market Value Method is assigned as 40%, and the reasonable range of theoretical value per share is calculated as follows.

Abstract of Evaluation	Method of Evaluation		Weighting	Equity Value
Equity value per share	Market Value Method	Average closing market price	40%	\$16.77 ~ \$19.80
	Method of Comparable Companies	Price-to-book ratio	30%	\$15.96 ~ \$16.93
		EV/REVENUE	30%	\$17.94 ~ \$20.61
Conclusion of equity value				\$16.88 ~ \$19.18

(II) Equity value of TONS Lightology

1. Selection of evaluation method

TONS Lightology has been listed in over-the-counter market since June 17, 2013, thus there is an objective open market transaction price for reference for it. In this case, we calculate the equity value according to the average closing market price per share of TONS Lightology during the historical transaction period of the assessment reference date (March 29, 2023).

TONS Lightology is also one of the LED lighting industries, which is the same as StrongLED the peers which can be compared with it include the following domestic listed companies: EVERLIGHT Electronics Co., Ltd. (Stock Symbol: 2393), Edison Opto Corporation (Stock Symbol:3591), ADO OPTRONICS CORPORATION (Stock Symbol: 3516) and LEDLINK OPTICS,INC. (Stock Symbol: 5230). It is planned to take the above mentioned 4 companies, use the Market-Based Approach, “Method of Comparable Companies”, to evaluate the equity value of the target company.

Since TONS Lightology has not prepared a financial forecast, the enterprise value and equity value were not estimated by income method; the Asset-Based Approach reflects the total value of enterprise or business through the evaluation of the total value of individual assets and individual liabilities of the evaluation target. Generally, this method is applicable to companies, holding companies or liquidation companies whose assets account for a high ratio of the enterprise. Because TONS Lightology does not have the above-mentioned characteristics, it is not suitable to use the Asset-Based Approach for evaluation.

2. Market Value Method

According to the Board Resolution of TONS Lightology made on February 23, 2023, the ex-dividend date is March 23, 2023, dividend per share is NTD 1.62. Thus, the stock price after the dividend of TONS Lightology for March 23, 2023 ~ March 28, 2023 is adjusted (addition of NTD 1.62 per share), the average closing market price per share of TONS Lightology on assessment reference date (March 29, 2023) is calculated as follows.

TONS 4972

Average closing market price 1 day before	30.97
Average closing market price 10 days before	30.53
Average closing market price 30 days before	30.29
Average closing market price 60 days before	29.94

Source: Taipei Exchange

3. Method of Comparable Companies

(1) Price-earnings ratio

The earning per share of TONS Lightology (2022) is NTD 1.35, and the value multiples the book value per share of the peers on 1 day before, 10 days before, 30 days before and 60 days before are as follows.

	EVERLIGHT 2393	Edison 3591	ADO 3516	LEDLINK 5230	Harmonic Mean
Average closing market price 1 day before	14.32	107.25	19.88	-	23.17
Average closing market price 10 days before	14.21	110.13	19.51	-	22.95
Average closing market price 30 days before	12.10	71.24	19.12	18.93	19.82
Average closing market price 60 days before	11.39	50.20	19.01	18.69	18.71

According to the price-earnings ratio 1 day before and 60 days before, the value range is calculated as NTD 25.26 ~ NTD 31.28.

(2) Price-to-book ratio

The Book Value per Share of TONS Lightology on February 28, 2023 is 27.09, the book value per share value multiple 1 day, 10 days, 30 days and 60 days before for the peers are as follows.

	EVERLIGHT 2393	Edison 3591	ADO 3516	LEDLINK 5230	Harmonic Mean
Average closing market price 1 day before	0.96	1.06	0.64	0.93	0.87
Average closing market price 10 days before	0.95	1.09	0.63	0.92	0.86
Average closing market price 30 days before	0.94	1.07	0.62	0.91	0.85
Average closing market price 60 days before	0.92	0.95	0.61	0.89	0.82

According to the book value per share 1 day before and 60 days before, the value range is calculated as NTD 22.21 ~ NTD 23.57.

(3) EV/REVENUE

According to Market Observatory Post System, the cumulative revenue of TONS Lightology from March 2022 to February 2023 is NTD 828,831 thousand, the harmonic mean and simple arithmetic mean of the peers' EV/REVENUE are 0.70 and 0.85, respectively. The value range is calculated as follows.

	Harmonic Mean	Simple Arithmetic Mean
Cumulative revenue from March 2022 to February 2023	828,831	828,831
EV/REVENUE value multiple	0.70	0.85
Enterprise value	577,410.80	706,578.43
Cash and certificate of deposit (NTD thousand)	638,437.00	638,437.00
Liability with interest (NTD thousand)	21,079.00	21,079.00
Equity value (NTD thousand)	1,194,778.80	1,323,936.43
Number of shares (thousand shares)	39,495.55	39,495.55
Value per share (NTD)	30.25	33.52

4. Equity value of TONS Lightology

Because TONS Lightology is an OTC-listed company, thus there is objective open market transaction price for reference for it, so the weight of Market Value Method is assigned as 40%. For the multiple value of Method of Comparable Companies, because the multiple value of EVREVENUE includes the consideration of the factors of revenue and capital allocation, thus the weight of it is assigned as 30%. The reasonable range of theoretical value per share is calculated as follows.

Abstract of Evaluation	Method of Evaluation		Weighting	Equity Value
Equity value per share	Market Value Method	Average closing market price	40%	\$29.94 ~ \$30.97
	Method of Comparable Companies	Price-to-book ratio	15%	\$25.26 ~ \$31.28
		Price-to-book ratio	15%	\$22.21 ~ \$23.57
		EV/REVENUE	30%	\$30.25 ~ \$33.52
Conclusion of equity value				\$28.17 ~ \$30.67

(III) The Ratio of Stock Swap between TONS Lightology and StrongLED

The ratio of this Stock Swap is evaluated by the above-mentioned Market Value Method and Market-Based Approach. The equity value per share of StrongLED ranges from NTD 16.88 to NTD 19.18; the equity value per share evaluated by the Market Value Method and Market-Based Approach for TONS Lightology ranges from NTD 28.17 to NTD 30.67. The reasonable range for equity exchange ratio is calculated as 1.4688 shares to 1.8174 common shares of StrongLED for 1 common share of TONS Lightology.

Target Company	Method of Evaluation		Range of Price	Exchange Ratio
	Market Value Method	Method of Comparable Companies		
TONS Lightology	\$29.94 ~ \$30.97	\$22.21 ~ \$33.52	\$28.17 ~ \$30.67	1
StrongLED	\$16.77 ~ \$19.80	\$15.96 ~ \$20.61	\$16.88 ~ \$19.18	1.4688 ~ 1.8174

VII. Evaluation opinion and conclusion

In conclusion, after considering the quantifiable financial data and objective market data through the evaluation of Market Value Method and Market-Based Approach, respectively, the reasonable range of the exchange ratio between TONS Lightology and StrongLED is 1 common share of TONS Lightology for 1.4688 to 1.8174 common shares of StrongLED. In this stock swap, 1 common share of TONS Lightology is swapped with 1.72 common shares of StrongLED, it is within the reasonable range.

Expert Resume / Current Position

Certified public accountant, YuanHe Cpa

Committee Member, Professional Education Committee, The National Federation of CPA Associations of the R.O.C.

Experience

Committee Member, Think Tank Committee The National Federation of CPA Associations of the R.O.C. (August, 2018 ~ August 2021)

Lecturer, Department of Accounting, National Taipei University of Business (August 2020 ~ July 2022)

Lecturer, Department of Accounting, Soochow University (August 2020 ~ July 2022)

Deputy editor in chief, ANGLE PUBLISHING CO., LTD. (Angle Accounting Magazine.) (April 2017 ~ October 2019)

Lecturer, GET (October 2008 ~ June 2018)

Editor in chief, Careerjust Accounting Service (January 1992 ~ June 2008)

Partner accountant, Careerjust Cpa (January 1992 ~ June 1999)

Lecturer, Jin-Wen Institute of Technology (August 1999 ~ July 2001)

Lecturer, School of Continuing Education, Chinese Culture University (October 1998 ~ June 1999)

Education

Master Degree, Graduate Institute of Accounting, National Taiwan University (September 1991 ~ June 1994)

Bachelor Degree, Department of Accounting, National Taiwan University (September 1987 ~ June 1991)

Certificate

Qualified, Senior Civil Service Examinations (Certificate No.: Taiwan-Finance-Securities-Registration (VI)-2719, 1994)

Certified Valuers for Intangible Asset (Middle, Certificate No.: A-C21-0013-2019), Certified Valuers for Enterprise (Certificate No.: 00596), Ministry of Economic Affairs

Qualification for Lecturer of universities and colleges, Ministry of Education (Certificate No.: Lecture-090485)

[Attachment 10]

Dated the 7th day of April 2023

TONS LIGHTOLOGY INC.

AND

TONS LIGHTOLOGY (CAYMAN) INC.

AND

STRONGLED LIGHTING SYSTEMS (CAYMAN) CO., LTD.

MERGER AND SHARE CONVERSION AGREEMENT

併購及股份轉換契約書

Merger and Share Conversion Agreement

併購及股份轉換契約書

This Merger and Share Conversion Agreement (this “Agreement”) is entered into as of April 7, 2023 by and among StrongLED Lighting Systems (Cayman) Co., Ltd., an exempted company incorporated under the laws of the Cayman Islands (“StrongLED”), Tons Lightology Inc., a company incorporated under the laws of the Republic of China (“Tons”), and Tons Lightology (Cayman) Inc., an exempted company incorporated under the laws of the Cayman Islands and a wholly owned subsidiary of Tons (“Merger Sub”, and together with StrongLED and Tons, the “Parties”).

本併購及股份轉換契約書（下稱「本契約」）係由依開曼群島法律設立之豁免公司大峽谷半導體照明系統（開曼）股份有限公司（下稱「大峽谷」）、依中華民國法律設立之湯石照明科技股份有限公司（下稱「湯石」），及依開曼群島法律設立之豁免公司且由湯石全資持有之Tons Lightology (Cayman) Inc.（下稱「開曼湯石」，與大峽谷及湯石合稱為「契約當事人」），於2023年4月7日簽訂。

RECITALS

前言

1. Whereas, the Boards of Directors of Tons (the "Tons Board") has unanimously (i) approved the merger of Merger Sub with and into StrongLED (the "Merger"), with StrongLED surviving the Merger, upon the terms and subject to the conditions set forth in this Agreement and becoming a direct wholly owned Subsidiary (as defined below) of Tons as a result of the Merger, and issuance of shares of Tons as consideration to acquire all issued share capital of StrongLED, (ii) approved the execution, delivery and performance by Tons and Merger Sub, as the case may be, of this Agreement and the consummation of the Merger and the other transactions contemplated hereby; and (iii) recommended the approval of the Share Issuance (as defined below) by the requisite vote of the Tons shareholders and the authorization and approval of this Agreement and the Merger and the Plan of Merger (as defined below) by Tons as the sole shareholder of Merger Sub;
1. 湯石之董事會（下稱「湯石董事會」）已：(i)同意開曼湯石與大峽谷合併，由大峽谷為存續公司（下稱「開曼合併」），湯石發行新股受讓大峽谷全部已發行股份，大峽谷並因開曼合併成為湯石直接全資持有之子公司；(ii)同意湯石及開曼湯石簽署、交付及履行本契約、執行開曼合併及其他本契約所約定之併購及其相關交易；及(iii)提請湯石股東依法決議通過核准本案新股發行（定義如下），及依法授權及核准本

契約、開曼合併及開曼法所要求合併計畫（定義如下）。

2. Whereas, the sole director of Merger Sub has (i) approved the Merger, with StrongLED surviving the Merger, upon the terms and subject to the conditions set forth in this Agreement and becoming a direct wholly owned Subsidiary of Tons as a result of the Merger, and (ii) approved the execution, delivery and performance by Merger Sub, as the case may be, of this Agreement and the consummation of the Merger and the other transactions contemplated hereby; and (iii) recommended the authorization and approval by way of special resolution of this Agreement and the Merger and the Plan of Merger by Tons as the sole shareholder of Merger Sub;
2. 開曼湯石之董事會已：(i)同意開曼湯石與大峽谷合併並併入大峽谷，依本契約之規定由大峽谷為存續公司，大峽谷並因開曼合併成為湯石直接全資持有之子公司；(ii)同意開曼湯石簽署、交付及履行本契約、合併計畫、並執行開曼合併及本契約所定其他交易；及(iii)提請開曼湯石股東依特別決議授權及核准本契約、開曼合併及開曼法所要求合併計畫。
3. Whereas, the Board of Directors of StrongLED (the "StrongLED Board") has unanimously (i) determined that it is in the best interests of StrongLED, and declared it advisable, to enter into this Agreement with Tons and Merger Sub and the Plan of Merger, (ii) approved the execution, delivery and performance by StrongLED of this Agreement and the Plan of Merger and the consummation of the Merger and the other transactions contemplated hereby and (iii) recommended the authorization and approval by way of special resolution of this Agreement, the Merger and the Plan of Merger by the shareholders of StrongLED.
3. 大峽谷之董事會（下稱「大峽谷董事會」）已：(i)決議為大峽谷之最佳利益，其建議與湯石及開曼湯石簽訂本契約及合併計畫；(ii)核可大峽谷簽署、交付及履行本契約、合併計畫、並執行開曼合併及本契約所定其他交易；及(iii)提請大峽谷股東會依特別決議授權並核准本契約、開曼合併及合併計畫。

NOW, THEREFORE, in consideration of the foregoing and of the covenants and agreements contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

基於本契約所載之前述事實與本契約所定之承諾及約定、及其他相當之對價，契約當事人同意如下：

ARTICLE 1

THE MERGER

第1條

開曼合併

Section 1.1. The Merger.

Subject to the terms and conditions of this Agreement, and in accordance with the Cayman Islands Companies Act (As Revised) (the "Cayman Companies Act"), on the Effective Date (as defined in Section 1.2 below), Merger Sub shall be merged with and into StrongLED in accordance with this Agreement, and the separate corporate existence of Merger Sub shall thereupon cease. Pursuant to and simultaneously upon the consummation of the Merger on the Effective Date, in accordance with the Cayman Companies Act, (i) StrongLED shall continue as the surviving company in the Merger (sometimes hereinafter referred to as the "Surviving Corporation"), becoming a wholly owned subsidiary of Tons, and (ii) the corporate identity, existence, powers, rights and immunities of StrongLED as the Surviving Corporation shall continue unimpaired by the Merger.

第1.1項 開曼合併

依本契約條款及開曼群島公司法（修訂版）（下稱「開曼公司法」），於基準日（定義請參第1.2項）時，開曼湯石應依本契約被大峽谷合併，開曼湯石不再存續。於基準日開曼合併完成時，根據開曼公司法，(i)大峽谷應為開曼合併之存續公司（下稱「存續公司」），成為湯石之全資子公司，及(ii)身為存續公司，大峽谷的公司同一性、存在、權力、權利及豁免應不因開曼合併而改變。

Section 1.2. Filing Certificate of Merger; Effective Date.

As soon as practicable following the satisfaction or, to the extent permitted by applicable law, waiver of the conditions set forth in Article 7 of this Agreement, if this Agreement shall not have been terminated prior thereto as provided in Article 8 below, Merger Sub and StrongLED shall execute a plan of merger (the "Plan of Merger") substantially in the form contained in Annex A hereto and the Parties shall file the Plan of Merger and other documents required to effect the Merger pursuant to the Cayman Companies Act with the Registrar of Companies of the Cayman Islands as provided in Section 233 of the Cayman Companies Act on the Closing Date (as defined in Section 1.3 below). The Merger shall become effective on the date when the Plan of Merger has been registered by the Registrar of Companies of the Cayman Islands (the "Effective Date").

第1.2項 申請合併證明書；基準日

在本契約第7條所訂條件成就後、或於法令允許範圍內免除第7條所訂條件後，倘本契

約未依第8條而終止，開曼湯石及大峽谷應於實際可行期間內依附表A簽署合併計畫（下稱「合併計畫」），且契約當事人應依開曼公司法第233條，在交割日（定義請參第1.3項），依開曼公司法向開曼群島登記單位遞交合併計畫及其他使開曼合併生效之其他文件。開曼合併應於合併計畫向開曼群島登記單位登記時生效（下稱「基準日」）。

Section 1.3. Closing of the Merger.

Unless otherwise mutually agreed in writing among the Parties, the closing of the Merger (the "Closing") will take place at October 31, 2023 or another date to be agreed between Tons and StrongLED (the "Closing Date"; for the avoidance of doubt, the Closing Date and Effective Date will be the same date), which shall be no later than the two (2) Business Day immediately following the satisfaction or waiver of the conditions set forth in Article 7 (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the fulfillment or waiver of those conditions at the Closing). To the extent permissible by the applicable laws, the Board of Tons and StrongLED shall respectively authorize its chairman of the Board, to decide and reach the agreement whether any change of Closing Date.

第1.3項 開曼合併之交割

除非契約當事人另為書面同意外，開曼合併之交割（下稱「交割」）應於2023年10月31日或湯石及大峽谷雙方同意之其他日期（下稱「交割日」，為免疑義，本契約交割日與基準日應為同一日）進行，且該雙方同意之其他日期不得晚於本契約第7條所訂條件均已成就或被免除後的第2個營業日（不含本質上應於交割時成就之條件，但應限於視交割時其是否已被滿足或被免除之條件）。在法令允許範圍內，湯石及大峽谷之董事會應分別授權其董事長決定並就有無必要變更交割日達成協議。

Section 1.4. Effects of the Merger.

The Merger shall have the effects set forth herein and in the applicable provisions of the Cayman Companies Act. Without limiting the generality of the foregoing, and subject thereto, on the Effective Date, the Surviving Corporation shall succeed to and assume all the rights, property of every description, including choses in action, and the business, undertaking, goodwill, benefits, immunities and privileges, mortgages, charges or security interests and all contracts, obligations, claims, debts and liabilities of Merger Sub and StrongLED in accordance with the Cayman Companies Act.

第1.4項 開曼合併之效力

開曼合併應有本契約約定及開曼公司法所訂定之效力。於不違反前述約定之情況下，於基準日時，存續公司應依開曼公司法承受開曼湯石及大峽谷的所有權利、包含無體

財產權在內之各項財產，及營業、保證、商譽、利益、豁免及特權、抵押權、擔保或有價證券利益，及所有契約、義務、請求及負債。

Section 1.5. Memorandum and Articles of Association.

StrongLED shall take or cause to be taken all such actions as are necessary to cause the amendments to its then effective memorandum and articles of association and to adopt the memorandum and articles of association (the "**Articles**") in the form annexed at Annex B by a special resolution of its shareholders to take effect on the Effective Date.

第1.5項 組織大綱及章程

大峽谷應於基準日使大峽谷章程修正案生效如附件B。

Section 1.6. Directors of Surviving Corporation.

The current directors of StrongLED shall hold office until the Effective Date. On the Effective Date, the board of directors of the Surviving Corporation shall be appointed as determined by Tons and subject to such determination, the current directors of the Surviving Corporation whose term of office have not yet expired, shall continue to hold office in accordance with the Articles of the Surviving Corporation until they are removed or resign in accordance with the Articles of the Surviving Corporation.

第1.6項 存續公司董事

大峽谷之現任董事，應任職至基準日時。於基準日，應由湯石指派存續公司之新任董事，存續公司之現任董事應繼續行使其職權至任期屆滿或依章程辭任或解任為止。

ARTICLE 2

CONVERSION AND ISSUANCE OF SHARES

第2條

股份轉換與發行

Section 2.1. Conversion of Securities. Share Issuance.

第2.1項 有價證券轉換；本案新股發行。

On the Effective Date, by virtue of the Merger and without any action on the part of any of the Parties:

(a) Securities of Merger Sub. Each one (1) ordinary share, par value US\$1 per share, of Merger Sub issued and outstanding immediately prior to the Effective Date shall be cancelled in

exchange for the right to receive one (1) fully paid ordinary share, par value NT\$10 per share, of the Surviving Corporation. Such share(s) shall be the only issued and outstanding share capital of the Surviving Corporation.

於基準日時，因通過開曼合併、且無須契約當事人任何一方之任何行為：

(a) 開曼湯石股份 開曼湯石在基準日前發行並流通在外之每一普通股（每股面額美金1元），應可取得每股面額新台幣10元之存續公司普通股股份1股。該等股份應為存續公司唯一發行且在外流通之股份權益。

(b) Merger Consideration. On the Effective Date, each 1.72 ordinary share, par value NT\$10 per share, of StrongLED (the "StrongLED Share") issued and outstanding immediately prior to the Effective Date (individually, a "StrongLED Share" and collectively, the "StrongLED Shares") (other than the Excluded Shares and any StrongLED Dissenting Shares), shall be cancelled in exchange for the right to receive one (1) (1:1.72, the "Exchange Ratio") validly issued, fully paid, non-assessable ordinary shares, par value NT\$10 per share, of Tons (the "Tons Shares").

As of the Effective Date, the number of Tons Shares to be issued by Tons is estimated to consist of the issue of 18,389,534 new Tons Shares (the "Merger Consideration"), at the par value of NT\$10 per share, to be issued by Tons to StrongLED Shareholders (excluding the holders of Excluded Shares and StrongLED Dissenting Shares) in order to perform Tons's obligations with respect to the Merger (the "Share Issuance"). The total amount of increased capital represented by such Share Issuance is expected to be NT\$183,895,340. Notwithstanding anything to the contrary in this Agreement, the total number of the Tons Shares which Tons is obligated to issue under this Agreement shall be calculated based on the number of total StrongLED Shares (excluding any Excluded Shares and StrongLED Dissenting Shares) issued and outstanding immediately prior to the Effective Date in accordance with the Exchange Ratio. As of the Effective Date, each 1.72 StrongLED Share (other than the Excluded Shares and any StrongLED Dissenting Shares) shall thereafter represent only the right to receive one Tons Share, without interest, provided that StrongLED Dissenting Shares (as defined below) shall be treated in the manner set forth in Section 2.5, and the register of members of StrongLED will be updated accordingly. As of the Effective Date, Tons shall issue new shares based on the Exchange Ratio, to StrongLED Shareholder as recorded in the shareholders' register at that time according to statute procedures.

(b) 對價 於基準日時，湯石發行之普通股每1股（每股面額新台幣10元）（下稱「湯石股份」）可取得大峽谷在基準日前發行並在外流通之普通股（每股面額新台幣10元）（下稱「大峽谷股份」）（不含除外股份及任何大峽谷異議股東股份）1.72股（1：

1.72，下稱「換股比例」）。湯石為履行本契約義務，而需增發之股份數（下稱「對價」），預計發行每股面額新台幣10元整之普通股共18,389,534股湯石股份予大峽谷股東（大峽谷異議股東股份及除外股份，則無須發行新股予以換發）（下稱「本案新股發行」）。本案新股發行總計發行新股股份總額預計為新台幣183,895,340元整。惟湯石依本契約應發行之湯石股份總數，仍應以大峽谷截至基準日，依其實際發行之普通股股數，按換股比例計算之。

在基準日時，每1.72股大峽谷股份（不含除外股份及任何大峽谷異議股東股份）應僅代表不計息取得1股湯石普通股之權利，惟大峽谷異議股東股份（定義如下）應依第2.5項處理，大峽谷之股東名簿亦應因此修訂。湯石應於基準日依照法定程序，按大峽谷當時股東名簿所載各股東持有大峽谷股份情形，按換股比例，換發新股予大峽谷股東。

(c) Excluded Shares. Notwithstanding Section 2.1(b), each StrongLED Share that is (i) held by StrongLED as treasury shares immediately prior to the Effective Date or (ii) held by Tons immediately prior to the Effective Date (collectively, the "Excluded Shares") shall, upon the Effective Date, by virtue of the Merger and without any action on the part of its holder, automatically be cancelled and cease to exist, and in the case of the StrongLED Shares held by Tons, shall no longer be issued or outstanding, and the register of members of StrongLED will be updated accordingly, and no consideration shall be delivered or deliverable in exchange therefor.

(c) 除外股份 不受第2.1(b)項之限制，每一大峽谷股份 (i)於基準日前由大峽谷持有之庫藏股或(ii) 於基準日前由湯石所持有者（下合稱「除外股份」），於基準日時，應停止存在，且不再發行或流通在外，大峽谷之股東名簿亦應因此修訂，且無須交付或應交付任何對價。

(d) Exchange Ratio Adjustments. Tons and StrongLED agree that without prejudice to Article 5 of this Agreement, or in the event that the Party is in default of any provision under this Agreement and the non-defaulting Party elects not to exercise the right to terminate this Agreement, if any of the following events occurs during the period from the date of this Agreement till the Effective Date, the Board of each Party, no later than the day immediately preceding the Effective Date, shall be authorized to negotiate on and determine to adjust the Exchange Ratio ("Exchange Ratio Adjustment") under Section 2.1.(b) and the Exchange Ratio Adjustment shall not require any further approval or resolution from the shareholders of each Party. Tons and StrongLED shall submit a motion to the shareholders' meeting when submitting the Merger, authorizing the boards of directors of both Parties to negotiate on the Exchange Ratio Adjustment, with no need to convene a separate shareholders' meeting to make a

resolution. The formula of Exchange Ratio Adjustment shall be negotiated between the Parties and provided by the written agreement entered into by the Parties.

(d) 換股比例調整 湯石及大峽谷雙方同意在不違反本契約第5條之約定，或有違反本契約約定但未違約方當事人不擬終止本契約情形下，如於本契約簽訂日至基準日（股份轉換基準日）之間發生下列任一情事時，契約當事人授權董事會得共同協商決定本契約第2.1(b)條所同意之換股比例調整事宜（下稱換股比例調整），而無庸另行召開湯石或大峽谷之股東會。湯石及大峽谷應於提報股東會決議開曼合併案時一併提請股東會決議，授權雙方董事會協議換股比例調整事宜，無須另行召開股東會決議之。換股比例調整之公式則應由契約當事人另行協商並以書面訂定之。

(i) With the prior written consents of the other party, StrongLED or Tons conducted capitalization by retained earnings, capitalization by capital reserve, capital increase for cash injection, capital reduction or share or stock dividend issuance (except for the issuance of new shares to fulfill the obligation incurred by the convertible bonds exercised by the holders thereof or incurred by the employee options exercised by either party's employee), issuance of convertible corporate bonds, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities..

(ii) With the prior written consents of the other party, StrongLED or Tons repurchases or has repurchased its shares (except for the repurchase of StrongLED Dissenting Shares pursuant to the Cayman Companies Act and repurchase of shares by Ton from Ton's shareholders dissenting the transaction hereunder pursuant to Taiwan laws (the "Ton Dissenting Shares")).

(iii) StrongLED or Tons repurchases or has repurchased StrongLED Dissenting Shares or Ton Dissenting Shares pursuant to the Cayman Companies Act or Taiwan laws, and the total amount of such repurchased Dissenting Shares is more than 5% of total issued and outstanding shares of StrongLED or Tons.

(iv) StrongLED, Merger Sub or Tons has (A) made material capital expenditure or material expenses, (B) disposed of any of its material assets, (C) suffered from the material nature disaster, or other force majeure event, or (D) made material change to the matter with respect to its finance or business, occurrence of material litigation, or other event which has a StrongLED Material Adverse Effect or Tons Material Adverse Effect, as the case maybe, and such event listed in (A) to (D) has caused the Exchange Ratio as agreed by the Parties become obviously unfair to any Party.

(v) Any change or amendment to the applicable mandatory regulations, laws, rules, orders or rulings or decrees issued by any of the competent Governmental Entities and hence corresponding adjustment of the Exchange Ratio under Section 2.1(b) is required.

(vi) An increase, decrease or change of the number of entities or companies participating in transaction under this Agreement.

(i) 大峽谷或湯石經他方事前書面同意之下，辦理盈餘轉增資，資本公積轉增資、現金增資或減資，發行股票股利（但如因執行可轉換公司債或員工認股權所發行之股份不在此限）、發行轉換公司債、發行附認股權公司債、附認股權特別股、認股權憑證或其他具有股權性質之有價證券。

(ii) 湯石或大峽谷經他方事前書面同意之下，買回其公司股份（不包含大峽谷或湯石依法買回大峽谷或湯石異議股東股份之情形）。

(iii) 大峽谷或湯石依法買回大峽谷或湯石異議股東股份，且所買回之股份超過該買回之契約當事人已發行且流通在外股份總數之5%。

(iv) 大峽谷、開曼湯石或湯石如有(A)重大資本支出或費用支出，(B)處分其重大資產，(C)發生重大災害或重大不可抗力，(D)財務或業務做出重大變更，產生重大訴訟或其他有大峽谷、開曼湯石或湯石重大不利影響之行為或情事產生，以致依據原換股比例進行股份轉換顯失公平時。

(v) 因法令之強制或禁止規定，法令變更、或由相關有權主管機關所為核示或行政處分，以致有調整本契約第2.1(b)條所訂換股比例之必要時。

(vi) 參與本契約約定交易之主體或家數發生增減變動時。

For purpose of this Section 2.1(d), the term “material” or “Material” herein means any event which would have an effect, adverse or positive, on the latest audited (consolidated) financial statements of Tons or StrongLED to the extent that such affected Party’s net asset value in such latest reviewed or audited financial statements will as a result increase or decrease (accumulatively during the period from the date of this Agreement till the day immediately preceding the Effective Date) by 5% or more comparing to such party’s 2022 annual audited financial statements. For the avoidance of doubt, if Tons or StrongLED has disclosed the unaudited financial statements as of February 2023 to other party in writing before this Agreement, the effect in January and February 2023 will not be included in the previous calculation.

本2.1(d)項所稱「重大」，係指其事狀程度對於湯石或大峽谷之最近期經核閱或查核簽證之合併財務報告可能導致之負面或正面影響，相較於其2022年之經查核簽證之年度財務報告，淨值累計（自本契約簽約日至基準日前止）將增加或減少百分之五（含）以上之情形。為免疑義，湯石或大峽谷如已於本契約生效日前，以書面揭露截至2023年2月之自結報表予他方知悉者，2023年1月及2月之影響數，即不列入前開計算。

Section 2.3. Exchange Procedures.

第2.3項 交換程序

(a) Holders of StrongLED Shares. Each registered holder of StrongLED Shares (except the holders of Excluded Shares and StrongLED Dissenting Share) shall be entitled to receive the certain amount of Tons Shares which equal to the number of StrongLED Shares held on the Effective Date divided by Exchange Ratio (the “Per Share Merger Consideration ”), without interest, the registered holder of such StrongLED Shares shall have no further rights in respect of such StrongLED Shares, other than the right to receive the Per Share Merger Consideration as contemplated by this Article 2, without interests.

(a) 大峽谷股份持有人 每一位大峽谷股份之登記持有人（除了除外股份及大峽谷異議股東股份以外）應有權於基準日時取得按其所持有之大峽谷股數除以換股比例且不計息之湯石股份（下稱「每股對價」）。於基準日時，除依本契約第2條取得不計息每股對價之權利外，該大峽谷股份之登記持有人對於該大峽谷股份不再有任何權利。

(b) Settlement of Fractional Securities. No fractional Tons Shares shall be issued to holders of StrongLED Shares as part of the total Merger Consideration. Each holder of StrongLED Shares (except the holders of Excluded Shares and Dissenting Shares) who would have received fractional Tons Shares shall receive a cash payment , which is converted in proportion according to the par value (rounded down to the nearest dollar) by Tons pursuant to this Section 2.3(b), and Tons’s chairman of the Board is hereby authorized to proceed with the sale of such fractional shares, at the closing price of Tons Share on the last trading date immediately before the Effective Date, to any specific third party for the above purpose.

(b)畸零股之處理 湯石將不發行畸零股作為應發給大峽谷股份持有人之合併對價總額之一部分。每一原應收到湯石股份畸零股之大峽谷股份持有人（除了除外股份及大峽谷異議股東股份的持有人外），由湯石依本2.3(b)項規定，依發行面額按比例折算現金（計算至「元」為止，「元」以下無條件捨去）支付予該等大峽谷股份持有人，並授權湯石董事長為上述目的洽特定人以基準日前一營業日之湯石股份收盤價承購該等畸零股份。

Section 2.4 No Further Ownership Rights.

Subject to Section 2.5, the Merger Consideration paid in respect of StrongLED Shares in accordance with the terms of this Article 2 shall be deemed to have been paid in full satisfaction of all rights pertaining to StrongLED Shares. From and after the Effective Date, the StrongLED Shares shall no longer be outstanding and be cancelled and cease to exist, and the holders of

StrongLED Shares issued and outstanding immediately prior to the Effective Date shall cease to have any rights with respect to such StrongLED Shares except as otherwise provided for herein or by applicable laws.

第2.4項 無所有權權利

依第2.5項，依第2條就大峽谷股份給付之對價，應視為已完全滿足大峽谷股份包含之所有權利。自基準日起，基準日前已發行且在外流通的大峽谷股份應不再對外流通且不存在，其持有人除本契約規定或法令另有規定外，應不再就該大峽谷股份有任何權利。

Section 2.5 Dissenting Shares.

No Person who has validly exercised such Person's rights to dissent from the Merger pursuant to Section 238 of the Cayman Companies Act shall be entitled to receive the Per Share Merger Consideration with respect to StrongLED Shares owned by such Person (the "StrongLED Dissenting Shares") unless and until such Person shall have effectively withdrawn or lost such Person's rights to dissent from the Merger under the Cayman Companies Act. If a holder of Dissenting Shares effectively withdraws its demand for, or loses its rights to, dissent from the Merger pursuant to Section 238 of the Cayman Companies Act with respect to any Dissenting Shares, such StrongLED Shares shall cease to be Dissenting Shares. Each Dissenting Share shall be entitled to receive only the payment resulting from the procedure in Section 238 of the Cayman Companies Act.

任何人已依開曼公司法第238條有效行使對開曼合併之異議權時，其就持有之大峽谷股份（下稱「大峽谷異議股東股份」）就不得收取每股對價，除非該人已有效地撤銷或喪失其依開曼公司法對開曼合併之異議權。倘大峽谷異議股東股份持有人就其任一大峽谷異議股東股份，有效地撤銷其依開曼公司法第238條對開曼合併之異議要求或喪失其異議權時，該大峽谷股份不再為大峽谷異議股東股份。每一大峽谷異議股東股份僅得取得開曼公司法第238條所定程序之給付。

Section 2.6 Agreement of Fair Value.

Tons, Merger Sub and StrongLED respectively agree that the Per Share Merger Consideration represents the fair value of StrongLED Shares for the purposes of Section 238(8) of the Cayman Companies Act.

第2.6項 公平市價

湯石、開曼湯石及大峽谷分別同意每股對價即為大峽谷股份在開曼公司法第238(8)條下之公平市價。

Section 2.7 The amendments to Tons Articles.

Tons agrees that pursuant to Section 6.5, Tons's articles of incorporation (the "Tons Articles") shall be as set out in the particulars as provided respectively under Annex C attached hereto.

第2.7項 湯石章程需變更事項及發行新股之總數、種類、數量及其他有關事項

湯石同意依據第6.5項，其章程需變更事項於附表C定之。

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF STRONGLLED

第3條

大峽谷的聲明與保證

Except otherwise disclosed by StrongLED in writing delivered to Tons(the "StrongLED Disclosure Schedule") StrongLED hereby represents and warrants to Tons and Merger Sub that: 除大峽谷另以書面向湯石揭露之事項外，大峽谷向湯石及開曼湯石聲明及保證如下：

Section 3.1 Organization and Qualification.

第3.1項 組織與資格

StrongLED and each of its Subsidiaries is a corporation or legal entity duly incorporated or organized, validly existing and in good standing (with respect to jurisdictions that recognize the concept of good standing) under the laws of the jurisdiction of its incorporation and has all requisite corporate, partnership or similar power and authority to own, lease and operate its properties and to carry on its businesses as now conducted. StrongLED and each of its Subsidiaries is duly qualified or licensed to do business in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or licensing necessary, except where the failure to be so qualified or licensed is not material.

(a) 大峽谷及其子公司係依所設立之法律合法設立（依承認有效存在概念的相關法領域而言）目前仍有效存在之組織或法律主體，並具備所有、出租並使用其財產以及經營目前之營業所需之所有必要之公司或其他類此能力與權限。大峽谷及其子公司於其所有、租賃或使用之財產或經營之營業所在之法律領域已獲必要之資格或合法之授權以從事營業，但若不具備此等資格或授權並非重要者，不在此限。

(b) Except as disclosed by StrongLED in the StrongLED Disclosure Schedule, StrongLED does not directly or indirectly, nominally or substantially, own any equity or other securities of any

other entity, or invest in any other entity.

(b) 除大峽谷另以書面揭露之事項外，大峽谷並未直接或間接、名義上或實質上擁有其他任何主體之股權或其他證券，或對其他任何主體進行投資。

Section 3.2 Capitalization.

第3.2項 資本

(a) As of the date of this Agreement, the authorized share capital of StrongLED is NT\$ 600,000,000 divided into 60,000,000 ordinary shares of par value NT\$10 each. As of the date of this Agreement, (1) 37,010,000 StrongLED Shares were issued and outstanding; and (2) no preferred or special shares or any other securities convertible into or exchangeable for any share capital or any equity equivalents are issued and outstanding.

(a) 至本契約簽署日止，大峽谷之授權資本額為新臺幣600,000,000元，分為普通股60,000,000股，每股面額為新臺幣10元。至本契約簽署日止，(1)大峽谷已發行及在外流通之股數為37,010,000股；(2)無優先或特別股或其他可轉換或交換為股份權益或其他股權性質有價證券。

(b) StrongLED has no secured creditors and has granted no fixed or floating security interests that are outstanding.

(b)大峽谷並無有擔保債權人，其亦未設定任何固定或浮動擔保或設質予他人。

Section 3.3 Authority

第3.3項 合法授權

(a) StrongLED has all necessary corporate power and authority to execute and deliver this Agreement and, subject to, obtaining the Required StrongLED Shareholders' Approval, to consummate the transactions contemplated hereby. The StrongLED Board has duly and validly authorized the execution, delivery and performance of this Agreement and approved the consummation of the transactions contemplated hereby, and has at a meeting duly called and held or by written resolutions (i) approved, and declared advisable this Agreement, the Merger and the Plan of Merger and the other transactions contemplated hereby; (ii) determined that such transactions are advisable and fair to, and in the best interests of, StrongLED and its shareholders and (iii) recommended that the shareholders of StrongLED approve and authorize this Agreement, the Merger and the Plan of Merger. No other corporate proceedings on the part of StrongLED are necessary to authorize and approve this Agreement, the Merger or the Plan

of Merger or to consummate the transactions contemplated hereby (other than, the Required StrongLED Shareholders' Approval). This Agreement has been duly and validly executed and delivered by StrongLED and, assuming the due authorization, execution and delivery by Tons and Merger Sub, constitutes a valid, legal and binding agreement of StrongLED, enforceable against StrongLED in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles (the "Bankruptcy and Equity Exception").

(a) 取得必要股東同意之前提下，大峽谷有簽署及交付本契約之所有必要權利及授權，以完成本契約所定之交易。大峽谷董事會合法及有效授權本契約之簽署、交付及履行並且同意本契約所定交易之完成，並於合法召集之會議：(i)通過本契約、開曼合併、合併計畫及本契約所定交易；(ii)決定本交易適當可行並且對大峽谷及其股東而言，係公平並符合最大利益；及(iii)提請大峽谷股東同意並授權本契約、開曼合併及合併計畫。大峽谷已無其他授權或同意本契約、開曼合併、合併計畫及本契約所定交易之必要程序（但大峽谷必要股東同意不在此限）。本契約由大峽谷合法及有效之簽署並交付，並於湯石及開曼湯石有效授權簽署及交付之前提下，構成對於大峽谷有效、合法、及具有拘束力之約定，並可依相關條件對於大峽谷執行之，但破產、無清償能力、虛偽移轉、重整、延期償付與其他關於或影響債權人權利或一般性權益原則之類似法令不在此限（下稱破產及權益例外）。

(b) StrongLED has obtained or will, by Closing, have obtained all consents, approvals and authorizations that it may be required (under applicable laws, contracts or otherwise) to obtain to perform its obligations under this Agreement and any related documents.

(b) 大峽谷已取得或於交割前將取得所有（依可適用之法律或契約或其他）所必要之同意、許可或授權，以履行本契約或其他相關文件之義務。

Section 3.4 Financial Statements.

第3.4項 財務報表

(a) The audited consolidated financial statements of StrongLED (and the notes thereto) for the fiscal year ended December 31, 2022 StrongLED provided to Tons have been prepared in accordance with International Financial Reporting Standards ("IFRS") applied on a consistent basis throughout the periods presented, and presented fairly the financial position of StrongLED and its consolidated Subsidiaries as of the dates indicated and the results of operations and changes in financial position. Such StrongLED financial statements shall contain to no material falsehood, error or nondisclosures. Except otherwise disclosed by StrongLED in writing, there

is no Material Adverse Effect not been reflected on the financial statements after December 31, 2022. (a) 大峽谷提供予湯石經查核簽證之2022年度合併財務報告及係依國際財務報導準則(IFRS)編製，足以允當表達該期之財務狀況及經營成果，無任何重大虛偽不實、錯誤或隱匿之情事；且於資產負債表日後，除大峽谷另以書面揭露者外，並無任何尚未反映於財務報告之重大不利變化。

(b) StrongLED and its Subsidiaries have the legitimate rights to own or use the tangible assets listed in account without any form of burden. The use, income and disposal of such assets are not subject to any restrictions and can continue to be exercised after the Effective Date. There is no Material Adverse Effect not been reflected on the financial statements after December 31, 2022.

(b) 大峽谷及其子公司對於帳列有形資產皆擁有合法的所有或使用權利，不存在任何形式之負擔，其使用、收益及處分，不受任何拘束或限制，得以在基準日後繼續加以利用；且於資產負債表日後，並無任何尚未反映於財務報告之重大不利變化。

(c) Reserves are reflected on the Strong Financial Statements against all liabilities of StrongLED and its Subsidiaries in amounts that have been established on a basis consistent with the past practices of the StrongLED and the Subsidiaries and in accordance with IFRS. Except for the liabilities disclosed in the 2022 annual financial report provided by StrongLED or incurred since the date thereof in the ordinary course of business, there are no additional major liabilities, contingent liabilities, obligations or burdens which have a StrongLED Material Adverse Effect since the balance sheet date.

(c)大峽谷及其子公司所有負債，已依大峽谷及其子公司一致過去慣例及IFRS計算以提列準備之數額，並已反映於大峽谷財務報表內。除大峽谷提供2022年度財務報告中已揭露或因通常業務行為所產生之負債外，自資產負債表日後，大峽谷並未新增任何重大負債、或有負債、義務或負擔達重大不利影響之情事

Section 3.5 Consents and Approvals; No Violations.

第3.5項 同意及許可；不違反

(a) The execution, delivery and performance of this Agreement by StrongLED do not, and the consummation by StrongLED of the transactions contemplated hereby will not constitute or result in (i) (assuming the Required StrongLED Shareholders' Approval is duly obtained and passed) any breach of any provision of the respective memorandum and articles of association (or similar governing documents) of StrongLED or any of StrongLED 's Subsidiaries, or (ii) a

violation or breach of, or (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, amendment, cancellation or acceleration of an obligation or the creation of any Liens (other than any Liens created as a result of any actions taken by StrongLED)) under, any of the terms, conditions or provisions of any of the terms, conditions or provisions of any note, bond, mortgage, indenture, lease, license, contract, agreement or other instrument (each, a "Contract") or obligation to which StrongLED or any of StrongLED's Subsidiaries is a party or by which any of them or any of their respective properties or assets may be bound.

(a) 大峽谷關於本契約之簽署、交付及履行及本契約所定交易之完成，並不會構成下列結果：(i) (若大峽谷必要股東會決議已合法取得並通過) 大峽谷或其子公司章程 (或類似文件) 之違反；或(ii)違反 (無論是否需要合法通知或經過一定期間或兩者皆需要之情況)、抵觸 (發生終止、補充、取消或提早義務或任何負擔 (並非因大峽谷所採取任何行動所造成之負擔)) 大峽谷或其子公司為一方當事人或渠等財產受到拘束之票據、債券、抵押、租賃、授權、契約、約定或其他文件 (下稱「契約」) 條款或義務所列之條件。

Section 3.6 Legal Proceedings.

Except otherwise disclosed in the StrongLED Disclosure Schedule by StrongLED, neither StrongLED nor any of its Subsidiaries is a party to any, and there are no pending or, to the Knowledge of StrongLED, threatened, material Proceedings of any nature against StrongLED or any of its Subsidiaries or to which any of their equity interests, material properties or assets is subject. There is no material judgment outstanding against StrongLED, any of its Subsidiaries or any of their equity interests, material properties or assets.

第3.6條 法律程序

除大峽谷另以大峽谷揭露清單揭露者外，並無大峽谷或其子公司為當事人而對大峽谷或其子公司所提起未決的、或依大峽谷所知可能發生的重大法律程序，其中包括其股份權益或重大資產或財產可能受到限制者。並無對於大峽谷或其子公司或其股份權益、重要資產、財產不利之已發生的重要判決。

Section 3.7 Permits; Compliance with Applicable Laws.

StrongLED and its Subsidiaries hold all material permits, licenses, variances, exemptions, orders and approvals of all Governmental Entities necessary for the lawful conduct of their respective businesses (the " StrongLED Permits"), and are in material compliance with the terms of StrongLED Permits. Neither StrongLED nor any of its Subsidiaries is or has been in material violation of any laws applicable to StrongLED or its Subsidiaries. No investigation or

review by any Governmental Entity with respect to StrongLED or its Subsidiaries is pending or, to StrongLED's Knowledge, threatened, nor to StrongLED's Knowledge has any Governmental Entity indicated an intention to conduct the same, in each case with respect to a material violation of applicable laws.

第3.7項 許可、遵守可適用之法律

大峽谷及其子公司已取得所有必要之政府機關重要許可、執照、變更、豁免、命令或核准，以合法經營其事業（下稱大峽谷許可），並遵守大峽谷許可之條件。大峽谷或其子公司並未有重大違反可適用於大峽谷或其子公司之法令。並無政府機關所為關於大峽谷或其子公司關於重大違反相關法令之未決的、或依大峽谷所知可能發生的調查或審查，亦無大峽谷所知任何政府機關有意採取的調查或審查。

Section 3.8 Taxes.

第3.8項 稅

(a) Each of StrongLED and its Subsidiaries has duly and timely filed, or has caused to be timely filed on its behalf (taking into account any extension of time within which to file), all material Tax Returns required to be filed by it, and all such filed Tax Returns are true, complete and accurate in all material respects.

(a) 大峽谷及其子公司已經合法即時提出、或經代理於期限內提出（包含期限延展之情況）所有必須提出之重要稅務申報。此等已提出之稅務申報於各重要方面皆屬真實、完整、正確。

(b) No deficiency with respect to a material amount of Taxes has been proposed, asserted or assessed against StrongLED or any of its Subsidiaries, other than any deficiency which has been paid or is being contested in good faith in appropriate Proceedings.

(b) 並無對於大峽谷或其子公司關於重大稅負金額未足額繳納之提出、請求或課徵，但前述不足數額已經支付或已善意依合理程序提出異議者，不在此限。

(c) All material amounts of Taxes required to be withheld by StrongLED and each of its Subsidiaries have been timely withheld, except as would not individually or in the aggregate, have an StrongLED Material Adverse Effect, and to the extent required by applicable laws, all such withheld amounts have been timely paid over to the appropriate Governmental Entity.

(c) 大峽谷及其子公司所必須扣繳之所有重大稅負金額已經於期限內扣繳之，但個別或總體如無法造成對於大峽谷重大不利影響者不在此限。依據可適用之法令，此等扣繳數額已於期限內支付予適當之政府機關。

(d) No audit or other administrative or court proceedings are pending with respect to any material amounts of Taxes of StrongLED or any of its Subsidiaries and no written notice thereof has been received, except as would not, individually or in the aggregate, have an StrongLED Material Adverse Effect.

(d) 大峽谷或其子公司並無關於其稅負重大金額所生之查核或未決的行政或司法程序，亦未曾收悉相關書面通知，但個別或總體如無法造成對於大峽谷之重大不利影響者不在此限。

Section 3.9 Contracts.

第3.9項 契約

StrongLED has not breached any contract, agreement, statement, commitment, guarantee, warrant, or other obligations that it should be bound, which would have a StrongLED Material Adverse Effect on its finances, business or operations.

大峽谷並未違反其應受拘束之任何契約、協議、聲明、承諾、保證、擔保或其他義務之情事，而對大峽谷之財務、業務或營運有重大不利影響者。

Section 3.10 Intellectual Property.

StrongLED and its Subsidiaries own or have sufficient rights to use all Intellectual Property that is material to or necessary for the operation of their business, except as would not, individually or in the aggregate, have an StrongLED Material Adverse Effect. Except for StrongLED Intellectual Property, there are no other items of Intellectual Property that are material to or necessary for the operation of the business of StrongLED and its Subsidiaries. StrongLED or one of its Subsidiaries is the exclusive owner of all right, title and interest in and to each item of material StrongLED Owned Intellectual Property, free and clear of all Liens (other than non-exclusive licenses granted in the ordinary course of business consistent with past practice), or any obligation to grant any Lien. StrongLED has a valid license to use the material StrongLED Licensed Intellectual Property in connection with and as used in the operation of the business of StrongLED and its Subsidiaries as currently conducted, subject only to the terms of StrongLED IP Agreements.

第3.10項 智慧財產權

大峽谷及其子公司擁有或有充分權利使用重要或其營業所必須之所有智慧財產權，但個別或總體如無法造成對於大峽谷之重大不利影響者，不在此限。除大峽谷智慧財產權外，並無其他重要且對於大峽谷或其子公司營業所必需之智慧財產權。大峽谷或其子公司為重要的大峽谷所有之智慧財產權的全部權利或利益之專屬所有者，其上無任

何負擔（除於日常營運範圍內依過去慣例所為之負擔許可及非專屬授權外），亦無義務賦予任何負擔。關於或目前用於大峽谷及其子公司營業或與其等營業相關之重要大峽谷被授權智慧財產權，大峽谷擁有有效之授權，僅需依照大峽谷智慧財產權契約之條件予以使用。

Section 3.11 Related Person Transactions.

The transactions between StrongLED and its Related Person have been disclosed in its financial statements in accordance with IFRS and IAS, in compliance with in the normal course of operation, and has no caused StrongLED Material Adverse Effect.

第3.11項 關係人交易

大峽谷與其關係人間之交易均已依國際財務報導準則及國際會計準則於其財務報告中揭露，且均符合營業常規，且無造成大峽谷重大不利影響之情事。

Section 3.12 Labor Matters.

There are no collective bargaining agreements which pertain to StrongLED Employees. (i) There are no pending labor disputes between StrongLED or any of its Subsidiaries, on the one hand, and any StrongLED Employee, on the other hand, (ii) each of StrongLED and its Subsidiaries is in compliance in all material respects with all applicable laws relating to employment, termination, wages and hours and social security, in each case, with respect to each of the StrongLED Employees (including those on layoff, disability or leave of absence, whether paid or unpaid); and (iii) StrongLED has no liability with respect to, and has timely made all payments due to, and recorded on its books all amounts properly accrued in respect of, all applicable employment insurance and fund, including but not limited to endowment insurance, the medical insurance, unemployment insurance, employment injury insurance, maternity insurance and housing provident fund and there are no proceedings pending with respect to such employment insurance or fund.

第3.12項 勞工事項

並無關於大峽谷員工之團體協約。(i)大峽谷或其子公司與任何大峽谷員工間並無未決的勞動爭議、(ii)大峽谷及其子公司於各重要方面應遵守所有可適用關於大峽谷員工（包含解雇、失能或未到職、無論有償或無償）之勞工、終止、薪資、工時、社會安全的相關法令、(iii)大峽谷及其子公司已於期限內依法支付適用之員工保險及基金（包括但不限於養老保險、醫療保險、工傷保險、失業保險、生育保險及住房公積金）之款項，並將所生之全部數額紀錄於帳冊，並無任何相關債務，亦無未決的員工保險或基金相關法律程序。

Section 3.13 Customers and Suppliers; Adequacy of Supply.

None of StrongLED's and its Subsidiaries' top ten (10) customers by revenue (each a "Top Customer") and none of the Company's top ten (10) suppliers by expenditures (each a "Top Supplier"), in each case for the twelve (12) months preceding the date of this Agreement, measured by amounts received by or paid to such party, has canceled or otherwise terminated, or made any written threat or notice to cancel or otherwise terminate its relationship with to any of StrongLED or its Subsidiaries, or has decreased materially or made any written threat or notice to decrease materially its services or supplies to StrongLED or its Subsidiaries in the case of any such Top Supplier, or its usage of the services or products of StrongLED or its Subsidiaries in the case of any such Top Customer. Neither StrongLED nor its Subsidiaries has received written notice from any Top Supplier of any failure in StrongLED's or its Subsidiaries' ability to obtain from such Top Supplier, the raw materials, supplies or component products required for the manufacture, assembly or production of its products.

第3.13項 客戶和供應商；供應充足

估大峽谷及其子公司收入前十名之客戶（下稱前十大客戶）及估支出前十名之供應商（下稱前十大供應商）（以本契約簽署日前十二個月，該方收到或支付予該方之金額計算），並未取消或以其他方式終止，或發出任何書面威脅或通知以取消或以其他方式終止與大峽谷或其子公司之關係，或已重大減少或發出任何書面威脅或通知，（前十大供應商）以重大減少其對大峽谷或其子公司的服務或供應，或（前十大客戶）減少使用大峽谷或其子公司的服務或產品。大峽谷及其子公司均未收到任何前十大供應商之書面通知，表明大峽谷或其子公司無法從該供應商處獲得製造、組裝或生產產品所需的原材料、供應品或組件產品。

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF TONS AND MERGER SUB

第4條

湯石及開曼湯石之聲明與保證

Except otherwise disclosed by Tons in writing delivered to StrongLED (the "Tons Disclosure Schedule"), Tons and Merger Sub hereby jointly and severally represent and warrant to StrongLED that:

除湯石另以書面向揭露大峽谷揭露之事項外，湯石及開曼湯石連帶向大峽谷聲明及保

證如下：

Section 4.1 Organization and Qualification.

(a) Tons and each of its Subsidiaries is a corporation or legal entity duly incorporated or organized, validly existing and in good standing (with respect to jurisdictions that recognize the concept of good standing) under the laws of the jurisdiction of its incorporation and has all requisite corporate, partnership or similar power and authority to own, lease and operate its properties and to carry on its businesses as now conducted. Tons and each of its Subsidiaries is duly qualified or licensed to do business in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or licensing necessary, except where the failure to be so qualified or licensed is not material.

第4.1項 組織與資格

(a) 湯石及其子公司係依所設立之法律合法設立、（依承認有效存在概念的相關法領域而言）目前仍有效存在之組織或法律主體，並具備所有、出租並使用其財產以及經營目前之營業所需之所有必要之公司或其他類此能力與權限。湯石及其子公司於其所有、租賃或使用之財產或經營之營業所在之法律領域已獲必要之資格或合法之授權以從事營業，但若不具備此等資格或授權並非重要者，不在此限。

(b) Except as disclosed by Tons in the Tons Disclosure Schedule, Tons does not directly or indirectly, nominally or substantially, own any equity or other securities of any other entity, or invest in any other entity..

(b) 除湯石另以書面揭露之事項外，湯石並未直接或間接、名義上或實質上擁有其他任何主體之股權或其他證券，或對其他任何主體進行投資。

Section 4.2 Capitalization.

第4.2項 資本

(a) As of the date of this Agreement, the authorized share capital of Tons is 500,000,000 divided into 50,000,000 ordinary shares of par value NTT\$10 each. As of the date of this Agreement, (1) 39,495,553 Tons Shares were issued and outstanding; and (2) no preferred or special shares or any other securities convertible into or exchangeable for any share capital or any equity equivalents are issued and outstanding, except the employee stock option pursuant to the option plan effective of the Agreement.

(a) 至本契約簽署日止，湯石之章定資本額為新臺幣500,000,000元，分為普通股50,000,000股，每股面額為新臺幣10元。至本契約簽署日止，(1)湯石已發行及在外流通

之股數為39,495,553股；(2)除本契約簽署日有效之湯石員工認股權憑證外，無優先或特別股或其他可轉換或交換為股份權益或其他股權性質有價證券。

(b) The authorized share capital of Merger Sub consists solely of US\$10,000 divided into 10,000 ordinary shares, par value US\$1.00 per share, of which 1 share is validly issued and outstanding. All of the issued and outstanding share capital of Merger Sub on signature date of this Agreement is, and on the Effective Date will be, owned by Tons, free and clear of any Liens. Merger Sub was formed solely for the purpose of engaging in the transactions contemplated by this Agreement, and it has not conducted any business prior to the date hereof and prior to the Effective Date, will not conduct any business or have any assets, liabilities or obligations of any nature other than those incident to its formation and capitalization and pursuant to this Agreement and the Merger and the other transactions contemplated by this Agreement.

(b) 開曼湯石之授權資本總數為10,000美元，分為10,000股普通股，每股面額為1美元，其中1股已有效發行在外流通。開曼湯石已發行且在外流通之所有股份權益，於簽署日及基準日均係由湯石所有，且其上並無任何負擔。開曼湯石僅基於履行本契約之交易目的所成立，於簽署日前並未從事任何營業，基準日前亦不得從事任何營業，且不得於基準日前擁有任何資產、負債、或任何與其成立、資本、及負擔依本契約或本契約所約定之開曼合併及其他交易事項以外之義務。

(c) Merger Sub has no secured creditors and has granted no fixed or floating security interests that are outstanding.

(c) 開曼湯石並無有擔保之債權人，其亦未設定任何固定或浮動擔保或設質予他人。

Section 4.3 Authority.

第4.3項 合法授權

(a) Each of Tons and Merger Sub has all necessary corporate power and authority to execute and deliver this Agreement and, subject to, in the case of Tons, obtaining the Required Tons Shareholders' Approval, to consummate the transactions contemplated hereby. The Board of Directors of Tons ("Tons Board") has duly and validly authorized the execution, delivery and performance of this Agreement and approved the consummation of the transactions contemplated hereby, and has at a meeting duly called and held or by written resolutions (i) approved, and declared advisable this Agreement, the Merger and the Plan of Merger and the other transactions contemplated hereby; (ii) determined that such transactions are advisable and

fair to, and in the best interests of, Tons and its shareholders; and (iii) recommended that the shareholders of Tons approve of the issuance of Tons Shares constituting the Merger Consideration (i.e. the Share Issuance pursuant to Article 2 hereof). The Board of Directors of Merger Sub (the "Merger Sub Board"), and Tons as the sole shareholder of Merger Sub, have at meetings duly called and held or by written resolutions, as the case may be, duly and validly authorized and approved by board resolution (in the case of Merger Sub) and by special resolution (in the case of Tons as the sole shareholder of Merger Sub) the execution, performance and delivery of this Agreement, the Merger and the Plan of Merger and the consummation of the transactions contemplated hereby, and taken all corporate actions required to be taken by the Merger Sub Board and by Tons as the sole shareholder of Merger Sub for the consummation of the transactions. No other corporate proceedings on the part of Tons or Merger Sub are necessary to authorize and approve this Agreement, the Merger or the Plan of Merger or to consummate the transactions contemplated hereby (other than, with respect to the Share Issuance, the Required Tons Shareholders' Approval). This Agreement has been duly and validly executed and delivered by each of Tons and Merger Sub and, assuming the due authorization, execution and delivery by StrongLED, constitutes a valid, legal and binding agreement of each of Tons and Merger Sub, enforceable against each of Tons and Merger Sub in accordance with its terms, subject to the Bankruptcy and Equity Exception.

(a) 在湯石取得必要股東同意之前提下，湯石或開曼湯石有簽署及交付本契約之所有必要權利及授權，以完成本契約所定交易。湯石董事會合法及有效授權本契約之簽署、交付及履行並且同意本契約所定交易之完成，並於合法召集之會議：(i)通過本契約、開曼合併、合併計畫及本契約約定之交易並認為適當可行；(ii)決定本交易適當可行並且對湯石公平並符合湯石及其股東之最大利益；及(iii)提請湯石股東同意發行湯石股份以執行開曼合併（即本契約第2條之本案新股發行）。開曼湯石之董事會（下稱開曼湯石董事會）及開曼湯石之唯一股東即湯石，於合法召集之會議或依書面決議（視情況而定），開曼湯石經董事會決議合法及有效授權同意，開曼湯石經特別決議擁有正當及有效授權以簽署、履行、交付本契約、開曼合併、合併計畫及本契約所定之交易，並由開曼湯石董事會及其唯一股東即湯石採取任何必要之行動以完成交易。湯石或開曼湯石已無其他授權或同意本契約、開曼合併、合併計畫及本契約所定交易之必要程序（但關於本案新股發行之湯石必要股東同意不在此限）。本契約由湯石及開曼湯石合法及有效之簽署並交付，並於大峽谷有效授權簽署及交付之前提下，構成對於湯石及開曼湯石有效、合法、及具有拘束力之約定，並可依相關條件對於湯石及開曼湯石執行之，但破產及權益例外不在此限。

(b) Tons has obtained or will, by Closing, have obtained all consents, approvals and

authorizations that it may be required (under applicable laws or otherwise) to obtain to perform its obligations under this Agreement and any related documents.

(b) 湯石已取得或於交割前將取得所有（依可適用之法律或其他）必要之同意、許可或授權，以履行本契約或其他相關文件之義務。

Section 4.4 Financial Statements.

第4.4項 財務報表

(a) The audited consolidated financial statements of Tons (and the notes thereto) for the fiscal year ended December 31, 2022 Tons provided to StrongLED have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applied on a consistent basis throughout the periods presented, and presented fairly the financial position of Tons and its consolidated Subsidiaries as of the dates indicated and the results of operations and changes in financial position. Such Tons financial statements shall contain to no material falsehood, error or nondisclosures. Except otherwise disclosed by Tons in writing, there is no Material Adverse Effect not been reflected on the financial statements after December 31, 2022.

(a) 湯石提供予大峽谷經查核簽證之2022年度合併財務報告及係依國際財務報導準則(IFRS)編製，足以允當表達該期之財務狀況及經營成果，無任何重大虛偽不實、錯誤或隱匿之情事；且於資產負債表日後，除湯石另以書面揭露者外，並無任何尚未反映於財務報告之重大不利變化。

(b) Tons and its Subsidiaries have the legitimate rights to own or use the tangible assets listed in account without any form of burden. The use, income and disposal of such assets are not subject to any restrictions and can continue to be exercised after the Effective Date. There is no Material Adverse Effect not been reflected on the financial statements after December 31, 2022.

(b) 湯石及其子公司對於帳列有形資產皆擁有合法的所有或使用權利，不存在任何形式之負擔，其使用、收益及處分，不受任何拘束或限制，得以在基準日後繼續加以利用；且於資產負債表日後，並無任何尚未反映於財務報告之重大不利變化。

(c) Reserves are reflected on the Tons Financial Statements against all liabilities of Tons and its Subsidiaries in amounts that have been established on a basis consistent with the past practices of the Tons and the Subsidiaries and in accordance with IFRS. Except for the liabilities disclosed in the 2022 annual financial report provided by Tons or incurred since the date thereof in the ordinary course of business, there are no additional major liabilities, contingent liabilities, obligations or burdens which have a Tons Material Adverse Effect since the balance sheet date.

(c)湯石及其子公司所有負債，已依湯石及其子公司一致過去慣例及IFRS計算以提列準備之數額，並已反映於湯石財務報表內。除湯石提供之2022年度財務報告中已揭露或因通常業務行為所產生之負債外，自資產負債表日後，湯石並未新增任何重大負債、或有負債、義務或負擔達重大不利影響之情事

Section 4.5 Consents and Approvals; No Violations.

The execution, delivery and performance of this Agreement by Tons do not, and the consummation by Tons of the transactions contemplated hereby including the Merger and the Share Issuance will not constitute or result in (i) (assuming the Required Tons Shareholders' Approval is duly obtained and passed) any breach of any provision of the respective memorandum and articles of association (or similar governing documents) of Tons or Merger Sub or any of Tons's Subsidiaries, or (ii) a violation or breach of, or (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, amendment, cancellation or acceleration of an obligation or the creation of any Liens (other than any Liens created as a result of any actions taken by Tons)) under, any of the terms, conditions or provisions of any of the terms, conditions or provisions of any note, bond, mortgage, indenture, lease, license, contract, agreement or other instrument (each, a "Contract") or obligation to which Tons or Merger sub or any of Tons' Subsidiaries is a party or by which any of them or any of their respective properties or assets may be bound.

湯石及開曼湯石關於本契約之簽署、交付及履行及本契約所定交易之完成，包括開曼合併及本案新股發行並不會構成下列結果：(i)（若湯石必要股東會決議已合法取得並通過）湯石、開曼湯石或任何湯石子公司章程（或類似文件）之違反；或(ii)違反（無論是否需要合法通知或經過一定期間或兩者皆需要之情況）、抵觸（發生終止、補充、取消或提早義務或任何負擔（並非因大峽谷所採取任何行動所造成之負擔））湯石或開曼湯石或其他湯石子公司為一方當事人或渠等財產受到拘束之票據、債券、抵押、租賃、授權、契約、約定或其他文件（下稱契約）條款或義務所列之條件。

Section 4.6 Legal Proceedings.

Otherwise disclosed by Tons in writing, neither Tons nor any of its Subsidiaries is a party to any, and there are no pending or, to the Knowledge of Tons, threatened, material Proceedings of any nature against Tons or any of its Subsidiaries or to which any of their equity interests, material properties or assets is subject. There is no material judgment outstanding against Tons, any of its Subsidiaries or any of their equity interests, material properties or assets.

第4.6條 法律程序

除湯石另以書面揭露者外，並無湯石或其子公司為當事人而對湯石或其子公司所提起

未決的、或依湯石所知可能發生的重大法律程序，其中包括其股份權益或重大資產或財產可能受到限制者。並無對於湯石或其子公司或其股份權益、重要資產、財產不利之已發生的重要判決。

Section 4.7 Permits; Compliance with Applicable Laws.

Tons and its Subsidiaries hold all material permits, licenses, variances, exemptions, orders and approvals of all Governmental Entities necessary for the lawful conduct of their respective businesses (the "Tons Permits"), and are in material compliance with the terms of Tons Permits. Neither Tons nor any of its Subsidiaries is or has been in material violation of any laws applicable to Tons or its Subsidiaries. No investigation or review by any Governmental Entity with respect to Tons or its Subsidiaries is pending or, to Ton's Knowledge, threatened, nor to Ton's Knowledge has any Governmental Entity indicated an intention to conduct the same, in each case with respect to a material violation of applicable laws.

第4.7項 許可、遵守可適用之法律

湯石及其子公司已取得所有必要之政府機關重要許可、執照、變更、豁免、命令或核准，以合法經營其事業（下稱「湯石許可」），並遵守湯石許可之條件。湯石或其子公司並未有重大違反可適用於湯石或其子公司之法令。並無政府機關所為關於湯石或其子公司關於重大違反相關法令之未決的、或依湯石所知可能發生的調查或審查，亦無湯石所知任何政府機關有意採取的調查或審查。

Section 4.8 Taxes.

第4.8項 稅

(a) Each of Tons and its Subsidiaries has duly and timely filed, or has caused to be timely filed on its behalf (taking into account any extension of time within which to file), all material Tax Returns required to be filed by it, and all such filed Tax Returns are true, complete and accurate in all material respects.

(a) 湯石及其子公司已經合法即時提出、或經代理於期限內提出（包含期限延展之情況）所有必須提出之重要稅務申報。此等已提出之稅務申報於各重要方面皆屬真實、完整、正確。

(b) No deficiency with respect to a material amount of Taxes has been proposed, asserted or assessed against Tons or any of its Subsidiaries, other than any deficiency which has been paid or is being contested in good faith in appropriate Proceedings.

(b)並無對於湯石或其子公司關於重大稅負金額未足額繳納之提出、請求或課徵，但前述不足數額已經支付或已善意依合理程序提出異議者，不在此限。

(c)All material amounts of Taxes required to be withheld by Tons and each of its Subsidiaries have been timely withheld, except as would not individually or in the aggregate, have an Tons Material Adverse Effect, and to the extent required by applicable laws, all such withheld amounts have been timely paid over to the appropriate Governmental Entity.

(c) 湯石及其子公司所必須扣繳之所有重大稅負金額已經於期限內扣繳之，但個別或總體如無法造成對於湯石重大不利影響者不在此限。依據可適用之法令，此等扣繳數額已於期限內支付予適當之政府機關。

(d)No audit or other administrative or court proceedings are pending with respect to any material amounts of Taxes of Tons or any of its Subsidiaries and no written notice thereof has been received, except as would not, individually or in the aggregate, have an Tons Material Adverse Effect.

(d) 湯石或其子公司並無關於其稅負重大金額所生之查核或未決的行政或司法程序，亦未曾收悉相關書面通知，但個別或總體如無法造成對於湯石之重大不利影響者不在此限。

Section 4.9 Contracts.

Tons has not breached any contract, agreement, statement, commitment, guarantee, warrant, or other obligations that it should be bound, which would have a Tons Material Adverse Effect on its finances, business or operations.

第4.9項 契約

湯石並未違反其應受拘束之任何契約、協議、聲明、承諾、保證、擔保、約定或其他義務之情事，而對湯石之財務、業務或營運有重大不利影響者。

Section 4.10 Intellectual Property.

Tons and its Subsidiaries own or have sufficient rights to use all Intellectual Property that is material to or necessary for the operation of their business, except as would not, individually or in the aggregate, have an Tons Material Adverse Effect. Except for Tons Intellectual Property, there are no other items of Intellectual Property that are material to or necessary for the operation of the business of Tons and its Subsidiaries. Tons or one of its Subsidiaries is the exclusive owner of all right, title and interest in and to each item of material Tons Owned Intellectual Property, free and clear of all Liens (other than non-exclusive licenses granted in

the ordinary course of business consistent with past practice), or any obligation to grant any Lien. Tons has a valid license to use the material Tons Licensed Intellectual Property in connection with and as used in the operation of the business of Tons and its Subsidiaries as currently conducted, subject only to the terms of Tons IP Agreements.

第4.10項 智慧財產權

湯石及其子公司擁有或有充分權利使用重要或其營業所必須之所有智慧財產權，但個別或總體如無法造成對於湯石之重大不利影響者，不在此限。除湯石智慧財產權外，並無其他重要且對於湯石或其子公司營業所必需之智慧財產權。湯石或其子公司為重要的湯石所有之智慧財產權的全部權利或利益之專屬所有者，其上無任何負擔（除於日常營運範圍內依過去慣例所為之負擔許可及非專屬授權外），亦無義務賦予任何負擔。關於或目前用於湯石及其子公司營業或與其等營業相關之重要湯石被授權智慧財產權，湯石擁有有效之授權，僅需依照湯石智慧財產權契約之條件予以使用。

Section 4.11 Related Person Transactions.

The transactions between Tons and its Related Person have been disclosed in its financial statements in accordance with IFRS and IAS, in compliance with in the normal course of operation, and has no caused Tons Material Adverse Effect.

第4.11項 關係人交易

湯石與其關係人間之交易均已依國際財務報導準則及國際會計準則於其財務報告中揭露，且均符合營業常規，且無重大損害湯石之情事。

Section 4.12 Labor Matters.

(a) There are no collective bargaining agreements which pertain to Tons Employees. (i) There are no pending labor disputes between Tons or any of its Subsidiaries, on the one hand, and any Tons Employee, on the other hand, (ii) each of Tons and its Subsidiaries is in compliance in all material respects with all applicable laws relating to employment, termination, wages and hours and social security, in each case, with respect to each of the Tons Employees (including those on layoff, disability or leave of absence, whether paid or unpaid); and (iii) Tons has no liability with respect to, and has timely made all payments due to, and recorded on its books all amounts properly accrued in respect of, all applicable employment insurance and fund, including but not limited to endowment insurance, the medical insurance, unemployment insurance, employment injury insurance, maternity insurance and housing provident fund and there are no proceedings pending with respect to such employment insurance or fund.

第4.12項 勞工事項

(a) 並無關於湯石員工之團體協約。(i) 湯石或其子公司與任何湯石員工間並無未決的勞

動爭議、(ii) 湯石及其子公司於各重要方面應遵守所有可適用關於湯石員工（包含解雇、失能或未到職、無論有償或無償）之勞工、終止、薪資、工時、社會安全的相關法令、(iii) 湯石及其子公司已於期限內依法支付適用之員工保險及基金（包括但不限於養老保險、醫療保險、工傷保險、失業保險、生育保險及住房公積金）之款項，並將所生之全部數額紀錄於帳冊，並無任何相關債務，亦無未決的員工保險或基金相關法律程序。

ARTICLE 5

COVENANTS RELATED TO CONDUCT OF BUSINESS

第5條

關於營業之承諾

Section 5.1 Conduct of Business

Except as required by applicable laws or as expressly contemplated by this Agreement, during the period from the date hereof to the earlier of the Effective Date or the termination of this Agreement in accordance with Article 8, Tons and StrongLED will, and will cause each of its Subsidiaries (except for Merger Sub) to, conduct its operations in the ordinary and usual course of business consistent with past practice and keep available the service of its current officers and employees and preserve its relationships with customers, advertisers, licensors, suppliers and others having business dealings with it. Without limiting the generality of the foregoing, and except as required by applicable laws, as otherwise contemplated in this Agreement or the StrongLED's or Tons Disclosure Schedule, from the date hereof until the earlier of the Effective Date or the termination of this Agreement in accordance with Article 8, each of StrongLED or Tons will not, and will not permit its Subsidiaries to, without the prior written consent of the other Party (which consent shall not be unreasonably withheld):

第5.1項 營業行為

除可適用之法律另有規定、或本契約另有約定者外，於本契約簽署日至基準日，或至依第8條終止時（以較早者為準）之期間，湯石及大峽谷應自行並應促使其子公司（湯石開曼除外）依日常營運範圍且依過去慣例經營其營業，並繼續維持目前經理人、員工及代理人之服務，並維持與客戶、廣告商、授權人、供應商及其他有商業交易關係之第三人間之關係。於不限縮前述一般約定之情況下，自本契約簽署日至基準日或依第8條終止時（以較早者為準）之期間，任一方當事人不得自行或允許其子公司於未取得另一方當事人事前書面同意之情況下（但不得無合理理由拒絕同意），從事下列行為，但法律另有規定、本契約或揭露事項另有約定者，不在此限：

(a) amend its memorandum and articles of association (or other similar governing instrument);
(a) 修改或增補章程（或其他類似之文件）；

(b) authorize for issuance, issue, sell, pledge, dispose of, transfer, deliver or agree or commit to issue, sell, pledge, dispose of, transfer or deliver (whether through the issuance or granting of options, warrants, commitments, subscriptions, rights to purchase or otherwise) any share or any other securities convertible into or exchangeable for any share or any equity equivalents (including, without limitation, any share or stock options or share or stock appreciation rights), except for the issuance of Tons Shares in connection with the Share Issuance or the implementation of treasury stock or employee stock option plan effective as of this Agreement (The subscription price per share stipulated in Tons seventh employee stock option issuance and stock subscription plan approved by Tons Board on August 31, 2022 (the “Tons Option Plan”), shall be adjusted according to the formula in Article 9 of Tons Option Plan. The subscription price per share in Article 9 of the Tons Option Plan shall be calculated based on current price per share);

(b) 授權發行、發行或賣出、提供擔保、處分、移轉、交付、或同意、承諾發行或賣出、提供擔保、處分、移轉、交付（無論是否透過發行或授予認股權、權證、承諾、認購權、買權或其他）任何股份權益或其他可轉換或交換為股份權益或其他股權性質有價證券（包括但不限於任何認股權或股份增值權），但湯石股份之發行係履行其於簽署日時尚有效之庫藏股辦法或員工認股權辦法或關於本案新股發行者，不在此限（湯石2022年8月31日董事會通過第七次員工認股權憑證發行及認股辦法（下稱「湯石認股辦法」）之認股價格，應依該辦法第九條之公式調整。湯石認股辦法第九條規定之每股繳款金額，以每股時價計算之）；

(c) (i) split, combine, subdivide, consolidate or reclassify any of its share capital;(ii) declare, set aside or pay any dividend or other distribution (whether in cash, share, stock or property or any combination thereof) in respect of its share capital except as provided otherwise by Tons or StrongLED Disclose Schedule;(iii) enter into any agreement with respect to the voting of its share capital, (iv) make any other actual, constructive or deemed distribution in respect of any of its share capital or otherwise make any payments to shareholders in their capacity as such; or (v) redeem, repurchase or otherwise acquire any of its share capital or any share capital of any of its Subsidiaries;

(c) (i) 進行股份之分割、合併、拆分、變更類別；(ii) 除已揭露於湯石或大峽谷之揭露事項者外，公告、提撥或支付任何關於股份權益之股利或分配（無論係現金、股票、財產或前述組合）；(iii) 簽署關於股份權益表決權之契約；(iv) 進行任何其他事實上、被

推定、被視為關於股份權益或之分配或依權益對股東為支付；或(v)贖回、買回或取得其或其子公司股份權益；

(d) place itself or any of its Subsidiaries into liquidation, dissolution, scheme of arrangement, merger, consolidation, restructuring, recapitalization re-domiciliation or other reorganization (other than the Merger);

(d) 其自身或其子公司進行清算、解散、重整、合併、結合、重組、股權結構調整、變更註冊地或其他組織調整（不包括開曼合併）；

(e) alter through merger, liquidation, reorganization, restructuring or in any other fashion the corporate structure or ownership of any of its Subsidiaries (other than the Merger);

(e) 透過合併、清算、組織調整、重組、或其他方式變動其子公司之架構或所有權（不包括開曼合併）。

(f) except pursuant to a Contract existing on the date of this Agreement (i) incur, modify, renew or assume any long-term or short-term debt or issue any debt securities which would cause a Material Adverse Effect on its operations or finances, except for borrowings under existing lines of credit in the ordinary and usual course of business consistent with past practice; (ii) prepay any debt, borrowings or obligations prior to their stated maturity; (iii) assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any other person, except in the ordinary and usual course of business consistent with past practice and in amounts not material to it and its Subsidiaries, taken as a whole, except for guarantees of obligations of its wholly owned Subsidiaries (“Wholly Owned Subsidiaries”); (iv) make any loans, advances or capital contributions to, or investments in, any other person (other than to Wholly Owned Subsidiaries, and for advances for travel and other expenses to officers, directors and employees made in the ordinary course of business consistent with past practice); (v) pledge or otherwise encumber shares of itself or its Subsidiaries; or (vi) mortgage or pledge any of its material assets, tangible or intangible, or create or suffer to exist any Lien thereupon;

(f) 除本契約簽署日存在之契約另有約定者外，(i)引起、修改、延展或承擔任何長期或短期債務，而對營運或財務有重大不利影響，但依過去慣例於日常營運範圍內所現存之信貸額度所發生之借貸，不在此限；(ii)於到期日前償付債務、借貸、義務；(iii)承擔、保證、背書或以其他方式承擔他人之義務（無論直接、間接、是否附條件），但依過去慣例於日常營運範圍內所生且數額對於其及其子公司整體而言並非重大者，或對其全資之子公司（下稱「全資子公司」）之義務為保證者，不在此限；(iv)對任何其他

人（不包括對全資子公司，或因經理人、董事、員工於日常營運範圍內依過去慣例所為之出差或其他費用之預付者）進行融資、借貸、出資、投資；(v)以其或其子公司之股份權益提供擔保或質押；或(vi)以任何重要財產、實體或無實體之資產抵押或提供擔保、或於目前許可之負擔外創造或承擔任何負擔。

(g) except in the ordinary course of business or as may be required by laws (i) enter into, adopt, amend, extend or terminate any bonus, profit sharing, compensation, severance, termination, equity, share or stock option, share or stock appreciation right, restricted share or stock, performance unit, share or stock equivalent, share or stock purchase, pension, retirement, deferred compensation, labor, collective bargaining, employment, severance or other benefit or compensation agreement, trust, plan, fund, award or arrangement for the benefit or welfare of any director, officer or employee in any manner (other than the entry into or amendment of employment or labor contracts with newly hired or promoted employees or the termination of employment agreements or labor contracts with terminated employees in the ordinary course of business consistent with past practice), (ii) (or except as required under any agreement, plan or arrangement in effect on the date hereof) increase in any manner the compensation or benefits payable or to become payable to any director, officer or employee (including, without limitation, the granting of share or stock options or other equity awards), (iii) grant or increase any severance, termination or similar compensation or benefits payable to any director, officer or employee (except with respect to new hires and to employees in connection with promotions in the ordinary course of business consistent with past practice), or (iv) accelerate the time of payment or vesting of, or the lapsing of restrictions with respect to, or fund or otherwise secure the payment of, any compensation or benefits payable or to become payable to any director, officer or employee under any benefit or compensation plan, agreement or arrangement;

(g)除於日常營運範圍內，或法令另規定者外，(i)簽署、決議、增補、延長或終止任何紅利、盈餘分配、補償、資遣、解雇、股份、認股權、股份增值權、限制型股票、績效單位（performance unit）、股權性質之權利、股份買權、津貼、退休金、遞延補償、勞工、集體協商、雇傭、資遣費、利益或其他福利之契約、信託、計畫、基金、以任何方式給予或安排任何董事、經理人及員工福利及利益（但與新進或晉升之員工簽署勞動或雇傭契約之增補，或於日常營運範圍內依過去慣例終止與被解雇員工之勞動或雇傭契約者，不在此限）；(ii)除本契約簽署日有效之契約計畫或安排另有規定外，以任何方式增加應支付或將來應支付予任何董事、經理人或員工之補償或利益，包含但不限於給與任何認股權或其他股權；(iii)給予或增加應支付予任何董事、經理人或員工之任何資遣費、解雇金或其他補償或利益（不包括關於新進員工及依過去慣例於日常營運範圍內晉升之員工），或(iv)關於任何依福利或補償計畫、契約、或安排應支付或

將應支付予任何董事、經理人或員工之補償或利益，提早其支付、給予、限制、提供或保證支付之期限。

(h) (i) dispose of, license, transfer or grant to any Person any rights to its Intellectual Property, (ii) abandon, permit to lapse or otherwise dispose of any its Intellectual Property, (iii) make any material change in the ownership or right to register any its Intellectual Property, or (iv) enter into any Contract with respect to or otherwise binding upon any its Intellectual Property other than, in the case of clauses (i) to (iv), in the ordinary course of business consistent with past licensing practice;

(h) (i)處分、授權、移轉或授予其所有之智慧財產權之任何權利予任何人、(ii)拋棄、同意失效或以其他方式處分其所有之智慧財產權、(iii)對於其所有之智慧財產權之登記權或所有權為重要變更、(iv)簽署關於或對任何其所有之智慧財產權有拘束力之契約。前述第(i)~(iv)款規定者，如於日常營運範圍內依過去慣例所為者，不在此限。

(i) acquire, sell, lease, transfer or otherwise dispose of any assets, in a transaction or a series of transactions, which would cause a Material Adverse Effect on its operations or finances;

(i)取得、賣出、出租、移轉、或以其他方式處分任何資產，而對營運或財務有重大不利影響。。

(j) except as may be required as a result of a change in laws or in IFRS, change any of the accounting principles used by it;

(j)除法令或 IFRS 變更者外，變更任何目前適用之會計準則。

(k) revalue in any material respect any of its assets, including, without limitation, writing down the value of inventory or writing-off notes or accounts receivable other than in the ordinary and usual course of business consistent with past practice or as required by IFRS;

(k) 重估任何方面重要之資產，包含但不限於減記存貨之價值或註銷支票或應收帳款，但於日常營運範圍內依過去慣例所為或IFRS 另有規定者，不在此限。

(l) acquire (by merger, consolidation, or acquisition of stock or assets or otherwise) any corporation, partnership or other business organization or division thereof or any equity interest therein, if such acquisition would be material to it or (ii) authorize any new capital expenditures, except as specifically budgeted in its current plan approved by the Board of it prior to the date hereof that was made available to the other party (other than the Merger);

(l) 取得任何公司、合夥或其他商業組織、或其所屬部分或其任何股份權益（透過合併、

結合、取得股票、資產或其他方式），如該取得部分對於其屬於重大、或(ii)授權任何新資本支出，但已於其現存計畫特別列出預算，並經董事會於本契約簽署日前所通過（並告知另一方）者，不在此限（不包括開曼合併）。

(m) make or revoke any material Tax election, or settle or compromise any material Tax liability, or change (or make a request to any taxing authority to change) any aspect of its method of accounting for Tax purposes in a material manner;

(m) 進行或取消任何重要之租稅規劃、對於任何重要租稅義務為和解或承認、或改變（或要求稅務機關改變）任何基於租稅目的具有重要性之會計方法。

(n) pay, discharge or satisfy any material claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction in the ordinary course of business consistent with past practice;

(n) 支付、履行或滿足任何重要請求、債務、義務（無論係應付之絕對債務、或到期應付、是否請求、或有負債、或其他），但於日常營運範圍內依過去慣例所為者，不在此限。

(o) waive the benefits of, reduce the restriction periods or agree to modify in a manner adverse to it or any of its Subsidiaries any non-competition, confidentiality, standstill or similar agreement to which it or any of its Subsidiaries is a party;

(o) 以不利於其或其子公司之方式，就任何競業禁止、保密、利益或併購終止協議或其他其或其子公司為當事人之類似契約，放棄其利益、減少限制期間或同意變更。

(p) settle or compromise any pending or threatened suit, action or claim relating to the transactions contemplated hereby (other than responding to takedown notices or other notices or accusations of potential infringement in a manner consistent with past practice in the ordinary course of business or taking any legal action necessary to protect the interests of it or/and its Subsidiary);

(p) 對關於本契約交易未決或可能發生之訴訟、法律行動、請求為和解或承認（但於日常營運範圍內依過去慣例所為回應潛在侵權之停止通知、其他通知、控訴及為維護其及其子公司權益之必要法律行為所為者，不在此限。）

(q) Settle, renunciation, waive or neglect to claim any rights or interests that are still valid and existing, or other actions not beneficial to itself, which would cause a Material Adverse Effect on its operations or finances.

(q) 和解、放棄、拋棄或怠於主張任何現仍有效存續之權利或利益，或為其他不利於自身之行為，而對營運或財務有重大不利影響。

(r) enter into any new lines of business;

(r) 經營新業務

(s) grant any Lien in any of its assets (other than non-exclusive licenses granted in the ordinary course of business); or

(s) 在任何資產上（除於日常營運範圍內之非專屬性授權外）設定任何負擔

(t) take, propose to take, or agree in writing or otherwise to take, any of the actions described in Section 5.1(a) through Section 5.1(s).

(t) 採取、提議採取、書面同意或以其他方式採取第 5.1(a)~5.1(s)項所列之行為。

ARTICLE 6

第 6 條

ADDITIONAL AGREEMENTS

補充條款

Section 6.1 Shareholders Meetings.

(a) Tons shall take, in accordance with applicable laws and its articles of incorporation, all actions necessary to cause an annual meeting of its shareholders (the " Tons Shareholders Meeting") to be duly called and held on May 25, 2023 for the purpose of voting on the authorization and approval of this Agreement and the Share Issuance and pass the amended articles of incorporation as attached hereto as Annex C ("Required Tons Shareholders' Approval") by a majority vote as required under its articles of incorporation and applicable laws.

(b) StrongLED shall take, in accordance with applicable laws and its memorandum and articles of association, all actions necessary to cause the StrongLED Shareholders Meeting to be duly called and held on May 25, 2023 for the purpose of voting on the authorization and approval by way of special resolution of this Agreement, the Merger and the Plan of Merger ("Required StrongLED Shareholders' Approval")

第6.1項 股東會

(a)湯石應依其所適用法令及其章程，採取所有必要之措施於2023年5月25日召開股東常會（下稱「湯石股東會」），依其章程或可適用之法律所要求之多數決進行表決，以

通過就本契約及本案新股發行之授權及核准、及附表C所示之章程修正案（下稱「湯石必要股東同意」）。(b)大峽谷應依其所適用法令及其章程，採取所有必要措施於2023年5月25召開股東常會（下稱「大峽谷股東會」），以特別決議就本契約、開曼合併及合併計畫特別決議為授權及核准（下稱「大峽谷必要股東同意」）。

Section 6.2 Reasonable Best Efforts.

Subject to the terms and conditions of this Agreement, and subject at all times to each Party's and its directors' duty to act in a manner consistent with their fiduciary duties, each Party will use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable laws promptly to consummate the Merger and the other transactions contemplated by this Agreement, including preparing, executing and filing promptly all documentation to effect all necessary notices, reports and other filings and to obtain promptly all consents, registrations, approvals, permits and authorizations necessary or advisable to be obtained from any third party and/or Governmental Entity in order to consummate the Merger and the other transactions contemplated by this Agreement.

第6.2項 盡一切合理努力

根據本契約之條款及條件，及本契約各當事人及其董事均依忠實義務執行職務，契約當事人應盡一切合理之努力，迅速依法完成所有必要、合理且適當之措施，以完成開曼合併及本契約所定交易，包括為完成開曼合併及本契約所定交易，而應於期限內準備、簽署及提交文件，以完成所有必要之通知、報告等文件申報，並於期限內取得第三人及/或政府單位所必要或合理之同意、登記、核准、許可及授權。

Section 6.3 Public Announcements.

The initial press release and the public announcement with respect to the execution of this Agreement shall be a joint press release to be reasonably agreed upon by Tons and StrongLED. Thereafter, each of Tons and StrongLED will consult with one another before issuing any press release or otherwise making any public statements with respect to the transactions contemplated by this Agreement, including, without limitation, the Merger, and shall not issue any such press release or make any such public statement prior to obtaining the written approval of such other Party (such approval not to be unreasonably withheld or delayed), except with respect to any action taken by the StrongLED Board pursuant to, and in accordance with, Section 6.1, any action taken by the Tons Board pursuant to, and in accordance with, Section 6.1, or as may be required by laws or by any applicable listing agreement with or rules of a securities exchange, as determined by Tons or StrongLED, as the case may be.

第6.3項 公開聲明

本契約簽署之最初新聞稿與公告應係經湯石及大峽谷雙方合理同意之聯名新聞稿。在此之後，湯石及大峽谷於發布有關本契約所定交易（包括但不限於開曼合併）之新聞稿或公開聲明前應向他方諮詢。且於取得他方書面同意以前（該同意不得被無理拒絕或遲延之），不得發布該新聞稿或公開聲明。惟大峽谷董事會依本契約第6.1項而採取之行動、湯石董事會依本契約第6.1項採取之行動，或湯石或大峽谷依法與櫃買中心所簽訂之上市協議或上市規則要求者，不在此限。

Section 6.4 Fees and Expenses.

Whether or not the Merger is consummated, all Expenses (as hereinafter defined) incurred in connection with this Agreement, and the transactions contemplated hereby shall be paid by the Party incurring such Expenses. As used in this Agreement, "Expenses" includes all reasonable and documented out-of-pocket expenses (including, without limitation, all filing costs and reasonable fees and expenses of attorneys, accountants, securities underwriters and consultants to a Party hereto) incurred by a Party or on its behalf in connection with, or related to, the authorization, preparation, negotiation, execution and performance of this Agreement and the transactions contemplated hereby, including the solicitation of shareholder approvals and all other matters related to the transactions contemplated hereby; provided, that Expenses incurred in connection with the printing and mailing of the prospectus and, to the extent applicable, filing fees with respect to Governmental Entities shall be shared equally by Tons and StrongLED.

第6.4項 費用及支出

無論開曼合併是否完成，因本契約及本契約所定交易所產生之所有費用（定義如下所示），應由產生費用之一方自行負擔。本契約所稱費用，包括任一方或其相關代理人就本契約及本契約所定交易有關之授權、準備、協商、簽署及履行之所有合理且有單據之實報實銷之開支（包括但不限於所有的申請費用、合理費用、本契約當事人一方之律師、會計師、證券承銷商及顧問之費用），包括徵求股東會承認及與本交易有關之所有其他事項。惟若該費用係因公開說明書之印製及郵寄，則應由湯石及大峽谷共同平均分擔之。

Section 6.5 Tons and StrongLED agree that each Party shall not, during the period between the date of this Agreement till October 31, 2023, engage in any discussion, evaluation with respect of, or proceed or enter into any business cooperation plan with any third party relating to partnership, merger, acquisition, joint venture, or enter into any agreement with third party regarding transactions similar or equivalent those contemplated hereunder.

第6.5項 湯石及大峽谷同意自本契約簽署日起至2023年10月31日止，雙方不得與任何第

三人討論、評估、進行或締結任何關於合夥、合併、收購、合資或類似之其他重大商業合作計畫或如本契約所定交易相同或雷同之契約。

Section 6.6 Further Assurances.

Parties shall use its reasonable best efforts, to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary and reasonably appropriate to consummate and make effective, in the most expeditious manner practicable, the Merger and the other transactions provided for herein.

第6.6項 其他保證

為完成並使開曼合併及本契約所定其他交易生效，本契約當事人應盡其一切合理努力，以最有效率且可行之方式，採取或促使採取一切行動，或進行合理必要之安排。

ARTICLE 7

CONDITIONS PRECEDENT

第 7 條

交割條件

Section 7.1 Conditions to Each Party's Obligations to Effect the Merger.

The obligation of each Party to consummate the transactions contemplated by this Agreement is subject to the fulfillment at or prior to the Effective Date of each of the following conditions:

第7.1項 契約當事人使開曼合併生效之義務的條件

各當事人完成本契約所訂交易之義務係以基準日或基準日前下述條件完成為前提：

(a) The Required StrongLED Shareholders' Approval and the Required Tons Shareholders' Approval shall have been obtained.

(a) 取得大峽谷必要股東同意及湯石必要股東同意

(b) No Governmental Entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, executive order, decree, injunction or other order (whether temporary, preliminary or permanent) which (i) is in effect and (ii) has the effect of making the Merger illegal or otherwise prohibiting or preventing consummation of the Merger.

(b) 有權政府單位未制定、發布、公告、執行或簽署任何法律、命令、規則、行政命令、規章、禁制令、或其他命令（無論暫時、臨時或永久），而(i)有效且(ii)使開曼合併違

法或禁止開曼合併之完成

(c) All authorizations, consents, orders and approvals of all Governmental Entity that are or become necessary for its execution and delivery of, and the performance of the Parties' obligations pursuant to this Agreement ("Governmental Approvals") shall have been obtained prior to the Closing Date.

(c) 於交割日前取得與本契約義務之簽署、交付及履行所必要或將成為必要之所有政府單位授權、同意、命令或許可（下稱「本案政府許可」）。

Section 7.2 Conditions to the Obligations of Tons and Merger Sub.

The obligation of Tons and Merger Sub to consummate the transactions contemplated by this Agreement is subject to the fulfillment at or prior to the Effective Date of each of the following additional conditions, any or all of which may be waived in whole or part by Tons to the extent permitted by applicable laws:

第7.2項 湯石及開曼湯石交割先決條件

湯石及開曼湯石完成本契約交易之義務係以下列額外條件於基準日或之前完成為前提，其中全部或部分可由湯石於法律允許之範圍內免除之：

(a) The representations and warranties of StrongLED set forth in Article 3 shall be true and correct in all material respects as of the date of this Agreement, and as of the Closing Date as though made on and as of the Closing Date (except for representations and warranties made as of a specified date, which need be true and correct, or true and correct in all material respects, as the case may be, only as of the specified date).

(a) 第3條所列之大峽谷之聲明與保證，於本契約簽署日及基準日日在各重要方面皆屬真實、正確（但聲明與保證事項之日期另有約定者，該等事項於該日期應屬真實正確、或於各重要方面皆屬真實、正確。）

(b) StrongLED has filed and completed the filing of its revised memorandum and articles of association since 2016 with the Cayman Islands Registrar of Companies.

(b) 大峽谷已向開曼群島公司註冊處完成其公司自2016年起修正章程之備案。

(c) StrongLED has recorded the amounts of provision properly accrued in respect of, all applicable employment insurance and fund due before the Effective Date (including but not limited to endowment insurance, the medical insurance, unemployment insurance, employment injury insurance, maternity insurance and housing provident fund) on its financial statements.

(c) 大峽谷已將基準日前依法應繳納而未足額繳納之員工保險及基金（包括但不限於養老保險、醫療保險、工傷保險、失業保險、生育保險及住房公積金）之款項，全數預估提列於其財務報表。

(d) The third party's approval, consent or waiver, or notification to the third party required for Meger(including but not limited to the contract between StrongLED or its Subsidiary and the third party stipulates that the matters that will be triggered due to and related to the Meger need to obtain the third party's approval, consent, waiver or the third party's approval before or after the completion of Meger), have been obtained or completed (as applicable).

(d) 大峽谷完成開曼合併所需取得之第三人核准、同意、豁免或對第三人進行通知（包括但不限於任一方與第三人合約中約定因開曼合併進行及與之相關將觸發的事項，需於開曼合併完成前或開曼合併完成後取得第三人核准、同意、豁免或對第三人進行通知），均已取得或完成通知（依情形適用）。

(e) StrongLED shall have performed or complied in all material respects with all covenants and agreements contained herein required to be performed or complied with by it prior to or at the time of the Effective Date.

(e) 大峽谷應履行及於各重要方面遵守本契約須於基準日前（含）所履行或遵守之承諾及約定。

(f) Since the date of this Agreement, there shall not have been any StrongLED Material Adverse Effect.

(f) 自本契約簽署日起，大峽谷並無發生重大不利影響。

(g) StrongLED shall have delivered to Tons a certificate, dated as of the Effective Date, signed by an executive officer of StrongLED, certifying as to the fulfillment of the conditions specified in Section 7.2(a) to (f) above.

(g) 大峽谷應於基準日交付證明書予湯石，該證明書應由大峽谷之高階經理人簽署，以證明第7.2.(a)至(f)項條件之完成。

Section 7.3 Conditions to the Obligations of StrongLED.

The obligation of StrongLED to consummate the transactions contemplated by this Agreement is subject to the fulfillment at or prior to the Effective Date of each of the following conditions, any or all of which may be waived in whole or in part by StrongLED to the extent permitted by applicable laws.

第7.3項 大峽谷交割先決條件

大峽谷完成本契約交易之義務係以下列額外條件於基準日前（含）完成為前提，其中全部或部分可由大峽谷於法律允許之範圍內免除之。

(a) The representations and warranties of Tons and Merger Sub set forth in Article 4 shall be true and correct in all material respects as of the date of this Agreement and as of the Effective Date as if made on and as of such date and time (except for representations and warranties made as of a specified date, which need be true and correct, or true and correct in all material respects, as the case may be, only as of the specified date).

(a) 第4條所列之湯石及開曼湯石之聲明與保證，於本契約簽署日及基準日在各重要方面皆屬真實、正確（但聲明與保證事項之日期另有約定者，該等事項僅於該日期應屬真實正確、或於各重要方面皆屬真實、正確）。

(b) Tons and Merger Sub shall have performed or complied in all material respects with all covenants and agreements contained herein required to be performed or complied with by it prior to or at the time of the Effective Date.

(b) 湯石及開曼湯石應履行及於各重要方面遵守本契約須於基準日前（含）所履行或遵守之承諾及約定。

(c) Since the date of this Agreement, there shall not have been any Tons or Merger Sub Material Adverse Effect.

(c) 自本契約簽署日起，湯石及開曼湯石並無發生重大不利影響。

(d) Tons shall have delivered to StrongLED a certificate, dated as of the Effective Date, signed by a designated director of Tons and a designated director of Merger Sub, certifying as to the fulfillment of the conditions specified in Section 7.3(a), (b) and (c).

(d) 湯石應於基準日交付證明書予大峽谷，該證明書應由湯石之指定董事及開曼湯石指定之董事簽署，以證明第7.3.(a)至(c)項條件之完成。

ARTICLE 8

第 8 條

TERMINATION, AMENDMENT AND WAIVER

終止、修正及免責

Section 8.1 Termination by Mutual Agreement.

This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Date, whether before or after receipt of the Required Tons Shareholders' Approval and the Required StrongLED Shareholders' Approval, by mutual written consent of Tons and StrongLED.

第8.1項 合意終止

於本契約基準日以前，無論係於收到湯石及大峽谷必要股東同意前或後，雙方於任何時點均得以書面合意終止本契約及開曼合併。

Section 8.2 Termination by Either Tons or StrongLED.

This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Date by either Tons or StrongLED if:

第8.2項 湯石或大峽谷之終止

如有下列各款情形，湯石或大峽谷得於基準日前終止本契約及開曼合併：

(a) any laws, injunction or order having the effect set forth in Section 7.1(b) shall be in effect and shall have become final and non-appealable; provided, however, that the right to terminate this Agreement pursuant to this Section 8.2(a) shall not be available to a Party if the issuance of such final, non-appealable laws, injunction or order was primarily due to the breach or failure of such Party to perform in a material respect any of its obligations under this Agreement;

(a) 第7.1項(b)所定之法律、強制命令或命令發生效力且成為終局、不可變更時。惟若該終局、不可變更之法律、強制命令或命令，係因一方違約或怠於履行本契約約定之重大義務所致時，則該方則不具有依第8.2項(a)終止本契約之權利。

(b) the Required StrongLED Shareholders' Approval is not obtained at the StrongLED Shareholders Meeting or any adjournment thereof at which this Agreement and the Plan of Merger has been voted upon; or

(b) 大峽谷未於其股東會或續會中就本契約及合併計畫取得大峽谷股東必要同意。

(c) the Required Tons Shareholders' Approval is not obtained at the Tons Shareholders Meeting or any adjournment thereof at which the Share Issuance has been voted upon.

(c) 湯石未於其股東會中取得本案新股發行之湯石必要股東同意。

Section 8.3 Termination by Tons.

This Agreement may be terminated and the Merger may be abandoned at any time prior to

the Effective Date by Tons if:

第8.3項 湯石終止契約

若有以下情形，湯石得於基準日前終止本契約及開曼合併：

(a) the representations and warranties of StrongLED shall not be true and correct or StrongLED shall have breached or failed to perform any of its covenants or agreements contained in this Agreement, which failure to be true and correct, breach or failure to perform (i) would give rise to the failure of a condition set forth in Section 7.2 and (ii) cannot be cured, or if capable of being cured, shall not have been cured within 30 days following receipt by StrongLED of written notice of such breach or failure to perform from Tons stating Tons's intention to terminate this Agreement pursuant to this Section 8.3(a) and the basis for such termination; provided, that Tons shall not have the right to terminate this Agreement pursuant to this Section 8.3(a) if it is then in material breach of any representations, warranties, covenants or other agreements hereunder that would result in any condition to Closing set forth in Section 7.3 not being satisfied; or

(a) 大峽谷之聲明與保證非屬真實、正確，或大峽谷有違約或怠於執行本契約下之承諾或協議。而該不實或錯誤，或違約或怠於執行有(i)致第7.2項之條件無法成就；且(ii)無法補正，或於可以補正之情況下，於湯石以書面通知大峽谷其違約或怠於執行後（應告知終止之事由，及若於三十日內未補正者，即依第8.3 項(a)終止本契約），大峽谷仍未於期限內補正。但如因湯石重大違反聲明、保證、承諾或其他協議而將致第7.3 項所定之交割條件未能成就，則湯石不得依第8.3 項(a)主張終止本契約。或者；

(b) (i) all of the conditions set forth in Section 7.1 and Section 7.3 (other than those conditions that by their nature are to be satisfied by actions taken at the Closing) have been satisfied, (ii) Tons has confirmed by notice to StrongLED that all conditions set forth in Section 7.2 have been satisfied or that it is willing to waive any unsatisfied conditions in Section 7.2 and (iii) StrongLED fails to consummate the Merger within two (2) Business Days following the date the Closing should have occurred pursuant to Section 1.3.

(b) (i)第7.1項及第7.3項所定之條件（除了依其性質為交割時方可滿足之條件）均成就；(ii)湯石通知大峽谷確認第7.2項之條件已經滿足，或第7.2項之條件已被免除；且(iii)大峽谷未於第1.3項所定之應為交割日後2個營業日內完成開曼合併。

Section 8.4 Termination by StrongLED.

This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Date by StrongLED if:

第8.4項 大峽谷終止契約

若有以下情形，大峽谷得於基準日前終止本契約及開曼合併。

(a) the representations and warranties of Tons or Merger Sub shall not be true and correct or Tons or Merger Sub shall have breached or failed to perform any of their covenants or agreements contained in this Agreement, which failure to be true and correct, breach or failure to perform (i) would give rise to the failure of a condition set forth in Section 7.3 and(ii) cannot be cured, or if capable of being cured, shall not have been cured within 30 days following receipt by Tons and Merger Sub of written notice of such breach or failure to perform from StrongLED stating StrongLED 's intention to terminate this Agreement pursuant to this Section 8.4(a) and the basis for such termination; provided, that StrongLED shall not have the right to terminate this Agreement pursuant to this Section 8.4(a) if it is then in material breach of any representations, warranties, covenants or other agreements hereunder that would result in any condition to Closing set forth in Section 7.2 not being satisfied; or

(a) 湯石或開曼湯石之聲明與保證非屬真實、正確，或湯石或開曼湯石有違約或怠於執行本契約下之承諾或協議。而該不實或錯誤之情事，或違約或怠於執行有(i)致第7.3項之條件無法成就；且(ii)無法補正，或於可補正之情況下，於大峽谷書面通知湯石或開曼湯石其違約及怠於執行之情事（告知終止事由及若於三十日內未補正者，即依第8.4項(a)終止本契約）並聲明若未補正將於三十日內終止本契約，惟湯石未於期限內補正。但如因大峽谷重大違反聲明、保證、承諾或其他協議而將致第7.2項所定之交割條件未能成就，則大峽谷不得依第8.4項(a)主張終止本契約。或者；

(b) if (i) all of the conditions set forth in Section 7.1 and Section 7.2 (other than those conditions that by their nature are to be satisfied by actions taken at the Closing) have been satisfied, (ii) StrongLED has confirmed by notice to Tons that all conditions set forth in Section 7.3 have been satisfied or that it is willing to waive any unsatisfied conditions in Section 7.3 and (iii) Tons or Merger Sub fail to consummate the Merger within two (2) Business Days following the date the Closing should have occurred pursuant to Section 1.3.

(b) (i)第7.1項及第7.2項(除了依其性質為交割時方可滿足之條件)所定之條件均成就；(ii)大峽谷通知湯石確認第7.3項之條件已經滿足，或第7.3項之條件已被免除；且(iii)大峽谷未於第1.3項所定之應為交割日後2個營業日內完成開曼合併。

Section 8.5 Effect of Termination and Abandonment.

In the event of termination of this Agreement and the abandonment of the Merger pursuant to this Article 8, written notice thereof shall be given to the other Party or Parties specifying the

provision hereof pursuant to which such termination is made, and this Agreement shall become void and of no effect with no liability on the part of any Party hereto (or of any of its Representatives); provided, however, that (i) this Section 8.5, 6.4, and Article 9 (in each case, subject to the terms thereof) shall remain in full force and effect and survive termination of this Agreement, and (ii) nothing herein shall relieve any Party from liability for fraud.

第8.5項 終止及放棄之效力

依第8條規定終止本契約及開曼合併時，一方應以書面通知他方或雙方，並應表明其所依據之終止條款，本契約因此對任何一方（或其代表人）均失其效力，且任何一方均不因此負擔任何義務。惟(i)第8.5項、第6.4項及第9條（依其條件）於本契約終止後仍具有完全效力，且(ii)任一方均不得自詐欺行為中免除其責。

ARTICLE 9

第9條

GENERAL PROVISIONS

一般條款

Section 9.1 Indemnification

(a) Tons shall indemnify StrongLED and hold StrongLED harmless against any Losses which StrongLED may suffer or sustain, arising from: (i) any material breach of any representation or warranty of Tons or the Merger Sub contained in Article 4, or (ii) any material breach of any covenant, agreement or other provision of this Agreement by Tons or the Merger Sub.

第9.1項 賠償

(a) 湯石應賠償大峽谷並使大峽谷免因(i)湯石或開曼湯石重大違反其依據本契約第4條之聲明與保證，或(ii)湯石或開曼湯石重大違反本契約下之承諾或協議，而受有損害。

(b) StrongLED shall indemnify Tons and hold Tons harmless against any Losses which Tons may suffer or sustain, arising from: (i) any material breach of any representation or warranty of StrongLED contained in Article 3 and (ii) any material breach of any covenant, agreement or other provision of this Agreement by StrongLED.

(b) 大峽谷應賠償湯石並使湯石免因(i)大峽谷重大違反其依據本契約第3條之聲明與保證，或(ii)大峽谷重大違反本契約下之承諾或協議，而受有損害。

(c) Losses in this Section 9.1 means any losses, damages, taxes, costs, and expenses (including but not limited to government fees, court fees, fees and disbursements of attorneys, accountants, counsels, securities underwriters and other professional).

(c) 本第9.1項所稱損害，係指所有損害、損失、稅金及費用（包括但不限於政府規費、

法院費用、律師、會計師、顧問、證券承銷商及其他專業人員的費用)

Section 9.2 Assignment; Binding Effect; Benefit.

Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of laws or otherwise) without the prior written consent of the other parties hereto. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Notwithstanding anything contained in this Agreement to the contrary, except for the provisions of Sections 2.2 of this Agreement (collectively, the “Third Party Provisions”), nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement. The Third Party Provisions may be enforced only by the specifically intended beneficiaries thereof.

第9.2項 轉讓、拘束力及利益

本契約或任何權利、利益或義務，非經他方事前書面同意，不得轉讓之（無論係依法或其他之方式）。於不違反前述約定之前提下，本契約對於契約當事人及其繼受人、受讓人均有拘束力且惠及契約當事人及其繼受人、受讓人。無論本契約中是否有相反之規定，除本契約第2.2條之規定外（統稱為第三方條款），本契約並無明示或暗示賦予本契約當事人以外之人或其受讓人因本契約取得任何權利、救濟、義務或責任。第三方條款僅得由特定受益人執行。

Section 9.3 Entire Agreement.

This Agreement and any documents delivered by the parties in connection herewith constitute the entire agreement among the parties with respect to the subject matter hereof.

第9.3項 完整合意

本契約及任何雙方因本契約所交付之任何相關文件，構成雙方對本契約標的之完整合意。

Section 9.4 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the Republic of China (Taiwan) without regard to its rules of conflict of laws, except that the following matters to the extent provided for in this Agreement shall be construed, performed and enforced in accordance with the laws of the Cayman Islands: the Merger, the vesting of the undertaking, property and liabilities of Merger Sub in StrongLED, the exchange of StrongLED Shares for Tons Shares and the treatment of StrongLED Shares pursuant thereto and the rights provided

for in Section 238 of the Cayman Companies Act with respect to any Dissenting Shares.

第9.4項 準據法

本契約應以中華民國法為準據法。惟下列事項於本契約約定範圍內應依開曼群島法律解釋、履行及執行：開曼合併、開曼湯石之營運、財產及責任歸屬至大峽谷、大峽谷與湯石之股份轉換、大峽谷股份之處理等、以及依開曼群島公司法第238條之異議股東權。

Section 9.5 Language.

This Agreement has been executed in the English language only, except that the Disclosure Schedule has been delivered in the Chinese language. A Chinese translation of this Agreement will be prepared but any such translation will be for reference only, and the English version shall prevail in the event of any discrepancy between the English version and its Chinese reference translation.

第9.5項 語言

本契約應以英文為準，但揭露事項係以中文記載者，則以中文為準。本契約之中文翻譯僅供參考，若中英文版本有不一致者，應依英文為準。

Section 9.6 Dispute Resolution.

第9.6項 爭端解決

(a) Any and all disputes, controversies and conflicts between the Parties in connection with this Agreement and the performance or non-performance of the obligations set forth herein shall be settled amicably between the Parties through good faith negotiation or conciliation within thirty (30) days after written notice of such dispute, controversy or conflict has been given by one Party to the other Party.

(a) 契約當事人間任何關於本契約之履行或本契約所定之義務未履行之爭端、爭議及衝突，應盡可能於一方以書面通知他方該爭端、爭議或衝突後30日內，先由契約當事人基於誠信，透過友好協商解決之。

(b) Failing an amicable settlement thereof within the 30-day period specified above, any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration referred to the Chinese Arbitration Association, Taipei (“Association”) in accordance with the Arbitration Act of the ROC, and the Association’s arbitration rules for the time being in force. The place of arbitration shall be in Taipei, Taiwan. The language of arbitration shall be

Mandarin Chinese. The Tribunal shall consist of three arbitrator(s).

(b) 若未能依上述於 30 日內友好解決時，包括任何有關本契約之存在、效力及終止等任何與本契約相關之爭端，均應依中華民國仲裁法及當時有效之中華民國仲裁協會仲裁規則之規定，以中華民國仲裁協會為爭議解決機關解決之。仲裁地點應於台灣台北。仲裁使用語言應為繁體中文。仲裁庭應由三位仲裁人組成。

(c) The arbitral award made and granted by the arbitrators shall be final, binding and incontestable and may be used as a basis for judgment and for enforcement purposes anywhere. All costs of arbitration (including those incurred in the appointment of the three members of the arbitration board) shall be apportioned in the arbitral award.

(c) 仲裁人所做成之仲裁決定應具有最終性、拘束性、不可爭性，且可作為判決及各地執行之基礎。仲裁費用(包含委任三名仲裁人之費用)應於仲裁決定中分攤。

Section 9.7 Counterparts.

This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all of the parties hereto.

第9.7項 簽署份數

每份經各方當事人簽署及交付之本契約即為正本，並應構成同份文件。如有任一份僅部分當事人簽署，可與經其他當事人簽署之其他份，共同視為一份。

Section 9.8. Headings.

Headings of the Articles and Sections of this Agreement are for the convenience of the parties only and shall be given no substantive or interpretative effect whatsoever.

第9.8項 標題

本契約各條款之標題僅係為便利雙方參考，不得作為解釋之依據。

Section 9.9. Severability.

If any provision of this Agreement is determined by any court or arbitrator of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision will be enforced to the maximum extent possible given the intent of the parties hereto. If such clause or provision cannot be so enforced, such provision shall be stricken from this Agreement and the remainder of this Agreement shall be enforced as if such invalid, illegal or unenforceable clause or provision had (to the extent not enforceable) never been contained in this Agreement.

第9.9項 可分性

若本契約之任何條款經有管轄權之法院或仲裁庭認定為無效、違法或無法執行時，應考量當事人之意思，使該條款仍應盡可能有效。若該條款仍無法執行，則該條款應自於本契約刪除，而本契約其他條款將繼續有效，如同本契約從未包含該無效、違法或無法執行之條款。

Section 9.10 Notices.

All notices, requests, instructions or other documents to be given under this Agreement shall be in writing and shall be deemed given if delivered personally or sent by registered or certified mail, postage prepaid, by e-mail (which is confirmed) or overnight courier (with proof of delivery) to a Party at the following address for such Party:

if to Tons, to:

Address: 4F., No. 236, Bo'ai St., Shulin Dist., New Taipei City, Taiwan (R.O.C.)

E-mail: scott.wang@tons.com.tw

Attention: Scott Wang

if to Merger Sub, to:

Address: 4F., No. 236, Bo'ai St., Shulin Dist., New Taipei City, Taiwan (R.O.C.)

E-mail: scott.wang@tons.com.tw

Attention: Scott Wang

if to StrongLEDLED, to:

Address: 24F.-5, No. 186, Shizheng N. 7th Rd., Xitun Dist., Taichung City, Taiwan (R.O.C.)

E-mail: david-cw.chang@strongled.com

Attention: David Chang

第9.10項 通知

本契約之一切通知、請求、指示或其他本契約所要求應以書面作成之文件，若以親自遞送、掛號信寄送、預付郵資、電子郵件（經確認）、快遞（具送達證明）等方式送達至他方下列地址時，均應視為已送達：

湯石：

地址：新北市樹林區博愛街236號4樓

電子郵件：scott.wang@tons.com.tw

聯絡人：王志遠

湯石開曼

地址：新北市樹林區博愛街236號4樓

電子郵件：scott.wang@tons.com.tw

聯絡人：王志遠

大峽谷

地址：臺中市西屯區市政北七路186號24樓之5

電子郵件：david-cw.chang@strongled.com

聯絡人：張忠瑋

Section 9.11 Increase, Decrease or Change of the Entity

第9.11項 主體增減變動

In the event that there is any increase, decrease or change of the number of entities to participate the transaction under this Agreement after the date of this Agreement and before the Effective Date, the procedures and actions that have been completed by the Parties of this Agreement shall be readopted by all parties intending to participate in the transaction, and the merger and share conversion agreement shall be signed again. Tons and StrongLED shall submit a motion to the shareholders' meeting when submitting this Agreement, authorizing the boards of directors of each Party to negotiate on the related matters upon the aforementioned event happened, and in the case of decrease of the number of entities to participate the transaction under this Agreement, with no need to convene a separate shareholders' meeting to make a resolution.

於本契約簽訂後，基準日之前，本契約所定交易之主體或家數發生增減變動者，則本契約各當事人依法已完成之程序及行為，應由所有參與交易之公司重行為之，並重新共同簽訂併購及股份轉換契約。湯石及大峽谷應於提報股東會決議本契約所定交易案時一併提請股東會決議，如有上開情事發生，且係參加家數減少，則授權董事會協議相關事宜，無須另行召開股東會決議之。

Section 9.12 Definitions.

第9.12項 定義

(a) “Business Day” means any day other than a Saturday or Sunday or a day on which banks are required or authorized to close in Taipei, ROC.

(a)營業日：係指週六、週日或中華民國台北地區銀行停止營業之日以外之日。

(b) “Board” means the Board of Directors of the Tons, StrongLED and/or Merger Sub.

(b)董事會：係指湯石、大峽谷及/或開曼湯石之董事會。

(c) “StrongLED Material Adverse Effect” means that changes, circumstances, events, effects or occurrences, (i) has had or would reasonably be expected to have a material adverse effect on the business, results of operations, assets or consolidated financial condition of StrongLED and its Subsidiaries, taken as a whole, or (ii) would or would reasonably be expected to prevent or materially impair or delay the consummation of the transactions contemplated by this Agreement.

(c)大峽谷重大不利影響：係指任何變動、情形、事件、影響或發生，而個別地或與其他變動、情形、事件、影響或發生綜合地：(i)已對或可合理預期將對大峽谷及其子公司整體的營業、營運結果、資產或合併財務狀況有重大不利影響；或(ii)會或可合理預期會使本契約所訂交易無法進行、受重大損害或遲延。

(d) “Governmental Entity” means any supranational, national, state, municipal or local court or tribunal or administrative, governmental, quasi-governmental or regulatory body, agency or authority.

(d)政府單位：係指任何超國家的、全國性的、州的、市的或當地法院或委員會或行政、官方、準官方或管制的個體、機構或機關。

(e) “Intellectual Property” means in any and all jurisdictions worldwide, all (i) patents, patent improvement, design right, database right, statutory invention registrations and invention disclosures, and all related continuations, continuations-in-part, divisionals, reissues, re-examinations, substitutions, and extensions thereof, (ii) trademarks, service marks, domain names, uniform resource locators, trade dress, trade names, logos and other identifiers of source, including the goodwill symbolized thereby or associated therewith, (iii) works of authorship (including software) and copyrights, (iv) confidential and proprietary information, including trade secrets and confidential and proprietary know-how, inventions, processes, models and methodologies, (v) rights of publicity, (vi) registrations, applications, renewals, extension, division or reissue for any of the foregoing in (i)-(v), and (vii) all rights in the foregoing and in other similar intangible assets.

(e)智慧財產權：係指全球之(1)專利、專利改良、設計、資料庫、依法登記之發明、揭露之發明，以及所有相關之全部或部分延續、分割、重新核發、重新審查、更替及專利展期，(2)商標、服務標章、網域名稱、網址、URL、商品外觀、商品名稱、標誌及

其他可識別來源，包括所象徵或相關之商譽；(3)作品之版權（包括軟體）及著作權，(4)機密且獨占之資訊，包括商業秘密、機密且獨占之know-how、發明、程序、模式及方法。(5)公開權，(6)註冊、申請、更新、延展、分割或重新註冊任何上述(1)~(5)，以及(7)所有上述權利及其他相類似之無形資產。

(f) “know” or “knowledge” means, with respect to any Party, the knowledge of such Party's executive officers after due inquiry, including inquiry of such Party's counsel and other officers or employees of such Party responsible for the relevant matter.

(f)所知：係指當事人之任一方，其執行經理人於適當詢問該當事人之顧問及負責相關事件之經理人或員工後所得知悉之資訊。

(g) “Lien” means, with respect to any asset (including, without limitation, any security) any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset.

(g)負擔：係指有關財產（包括但不限於任何擔保）之抵押權、留置權、抵押、質押、擔保利益或任何形式之產權上負擔。

(h) “StrongLED Intellectual Property” means StrongLED Owned Intellectual Property and StrongLED Licensed Intellectual Property.

(h)大峽谷智慧財產權：係指大峽谷持有之智慧財產權及大峽谷被授權之智慧財產權。

(i) “StrongLED IP Agreements” means all (i) licenses of Intellectual Property to StrongLED and its Subsidiaries, (ii) licenses of Intellectual Property by StrongLED or any of its Subsidiaries to third parties and (iii) agreements restricting the right of StrongLED or its Subsidiaries, or pursuant to which StrongLED or its Subsidiaries permit other Persons, to use or register Intellectual Property.

(i)大峽谷智慧財產契約：係指所有(i)授權予大峽谷及其子公司；(ii)大峽谷或其任一子公司授權予第三人；及(iii)限制大峽谷或其子公司使用或註冊登記智慧財產權之權利，或大峽谷或其子公司許可其他人使用或註冊登記智慧財產權之契約。

(j) “StrongLED Licensed Intellectual Property” means all Intellectual Property owned by third parties (including Tons) and licensed to StrongLED and any of its Subsidiaries pursuant to StrongLED IP Agreements.

(j)大峽谷被授權之智慧財產權：係指依大峽谷IP契約，所有第三人（包含湯石）持有且授權給大峽谷及其任一子公司之智慧財產權。

(k) “StrongLED Owned Intellectual Property” means all Intellectual Property which is owned by or is proprietary to StrongLED or any of its Subsidiaries pursuant to the applicable laws.

(k)大峽谷持有之智慧財產權：係指依法由大峽谷及其任一子公司之智慧財產權。

(l) “Tons Material Adverse Effect” means any change, circumstance, event, effect or occurrence that, individually or in the aggregate, with all other changes, circumstances, events, effects or occurrences, (i) has had or would reasonably be expected to have a material adverse effect on the business, results of operations, assets or consolidated financial condition of Tons and its Subsidiaries taken as a whole, (ii) would or would reasonably be expected to prevent or materially impair or delay the consummation of the transactions contemplated by this Agreement; or (iii) is reasonably likely to materially and adversely affect the ability of Tons to operate or conduct the business of Tons and its Subsidiaries in the manner in which they are currently operated or conducted or contemplated to be operated or conducted.

(l)湯石重大不利影響：係指任何變動、情形、事件、影響或發生，而個別地或與其他變動、情形、事件、影響或發生綜合地：(i)已對或可合理預期將對湯石及其子公司整體的營業、營運結果、資產或合併財務狀況有重大不利影響；(ii)可合理預期會使本契約所定交易無法進行、受重大損害或遲延；或(iii)可能對湯石經營或管理湯石或其子公司依目前或將來擬經營或管理之營業，有重大且不利之影響。

(m) “Person” means an individual, corporation, limited liability company, partnership, association, trust, unincorporated organization, other entity or group.

(m)人：係指個人、公司、有限責任公司、合夥、協會、信託、非法人組織或其他機構或團體。

(n) “Proceeding” means any claim, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Entity.

(n)程序：係指政府單位所為或經由政府單位主張之任何請求、法律行動、訴訟、仲裁、詢問、程序、調查。

(o) “Related Person” means with respect to any Person, any corporation or other business organization of which such Person is a director, officer or partner or is the beneficial owner, directly or indirectly, of ten percent or more of any class of equity securities, any trust or estate in which such Person has a substantial beneficial interest or as to which such Person serves as a trustee or in a similar capacity and any relative or spouse of such Person, or any relative of

such spouse, who has the same home as such Person.

(o)關係人：係指擔任任何公司或其他事業組織之董事、經理人或合夥人，或為10%以上任何種類之股權有價證券的直接或間接受益人、或對信託財產或資產有實質利益，或擔任受託人或其他類似權限之人，或為該人之親屬、配偶，或與其同住之配偶親屬。

(p) “Representatives” means a Party’s respective officers, employees, agents, advisers, nominated directors, shareholders, assignees or other representatives.

(p)代表人：係指各當事人之經理人、員工、代理、顧問、被提名董事、股東、受讓人或其他有代表權之人。

(q) “Subsidiary” means, when used with reference to any Person, (i) of which such party or any other Subsidiary of such party is a general or managing partner, or (ii) the outstanding voting securities or interests of which, having by their terms ordinary voting power to elect a majority of the Board of Directors or others performing similar functions with respect to such corporation or other organization, are directly or indirectly owned or controlled by such party or by any one or more of its Subsidiaries, and, when use with reference to Tons or StrongLED, of which Tons or StrongLED, as applicable, consolidates in its consolidated financial statements as a variable interest entity in accordance with IFRS.

(q)子公司：係指於符合下述條件者：(1)任何一方或其他子公司擔任該人之一般或管理合夥人，或(2)行使股份或股權之投票權，依其條款中之普通投票權有權選任董事會之多數董事直接或間接由一方之當事人或其一個或數個子公司所擁有或控制之者；就湯石或大峽谷係指其個別依IFRS於合併財務報表中之子公司。

(r) “Tax Returns” means all federal, state, local, provincial returns, declarations, statements, claims, reports, schedules, forms and information returns and, including any attachment thereto or amendment thereof, with respect to Taxes.

(r)納稅申報書：係指稅務相關之聯邦、州、地方、市政府各層級申報、宣稱、聲明、請求、報告、計畫、表格及資訊通知單，包括任何附件或修正。

(s) “Tax” or “Taxes” includes all forms of taxation, whenever created or imposed, whether imposed by a local, municipal, governmental, provincial, state, foreign, federal or other Governmental Entity, including all interest, penalties and additions imposed with respect to such amounts.

(s)稅或稅負：係指包含地方、市政府、政府、省、州、外國、聯邦或其他政府組織之所有形式稅收，包括利息、罰款及相關額外費用。

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IN WITNESS WHEREOF, Tons, Merger Sub and StrongLED have caused this Agreement to be signed by their respective officers thereunto duly authorized, all as of the date first written above.

茲證明本契約已經湯石及大峽谷正式授權且具有代表權限之人於首揭期日簽署。

Tons Lightology Inc.

By:

Name: Tang, Shih-Chuan

Title: Chairman

湯石照明科技股份有限公司

代表人：湯士權

職稱：董事長



湯士權

Tons Lightology (Cayman) Inc.

By:

Name: Tang, Shih-Chuan

Title: Director

湯石照明科技股份有限公司(開曼)

代表人：湯士權

職稱：董事

湯士權

StrongLED Lighting Systems (Cayman) Co., Ltd.

By:

Name: Chang, Chia-Jui

Title: Chairman

大峽谷半導體照明系統(開曼)股份有限公司

代表人：張家瑞

職稱：董事長

For and on behalf of
StrongLED Lighting Systems (Cayman) Co., Ltd.
大峽谷半導體照明系統(開曼)股份有限公司

張家瑞

Authorized Signature(s)

Annex A
Plan of Merger

The Companies Act (As Revised) of the Cayman Islands
Plan of Merger

This plan of merger (the "**Plan of Merger**") is made on [●] 2023 between StrongLED Lighting Systems (Cayman) Co., Ltd. (the "**Company**" or the "**Surviving Company**") and TONS LIGHTOLOGY (CAYMAN) INC. (the "**Merging Company**").

Whereas the Merging Company is a Cayman Islands exempted company and is entering into this Plan of Merger pursuant to the provisions of Part XVI of the Companies Act (As Revised) (the "**Statute**").

Whereas the Company is a Cayman Islands exempted company and is entering into this Plan of Merger pursuant to the provisions of Part XVI of the Statute.

Whereas the sole director of the Merging Company and the directors of the Company deem it desirable and in the commercial interests of the Merging Company and the Company, respectively, that the Merging Company be merged with and into the Company and that the undertaking, property and liabilities of the Merging Company vest in the Surviving Company (the "**Merger**").

Terms not otherwise defined in this Plan of Merger shall have the meanings given to them under the Merger and Share Conversion Agreement dated April 7, 2023 and made between the Company, the Merging Company and Tons Lightology Inc. (the "**Merger Agreement**") a copy of which is annexed at Annexure 1 hereto.

Now therefore this Plan of Merger provides as follows:

- 1 The constituent companies (as defined in the Statute) to this Merger are the Company and the Merging Company.
- 2 The surviving company (as defined in the Statute) is the Surviving Company.
- 3 The registered office of the Company is c/o Portcullis TrustNet (Cayman) Ltd., the Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman, KY1-1208, Cayman Islands and the registered office of the Merging Company is c/o Maples Corporate Services Limited of PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.
- 4 Immediately prior to the Effective Date (as defined below), the share capital of the Company will be NT\$600,000,000 divided into 60,000,000 ordinary shares of a par value of NT\$10 each and the Company will have 37,010,000 ordinary shares in issue.
- 5 Immediately prior to the Effective Date (as defined below), the share capital of the Merging Company will be US\$10,000 divided into 10,000 ordinary shares of a par value of US\$1.00 each and the Merging Company will have 1 ordinary share in issue.
- 6 The date on which it is intended that the Merger is to take effect is the date that this Plan of Merger is registered by the Registrar in accordance with section 233(13) of the Statute (the "**Effective Date**").
- 7 The terms and conditions of the Merger, including the manner and basis of converting shares in each constituent company into shares in the Surviving Company or into other property (including shares in Tons Lightology Inc.), are set out in the Merger Agreement in the form annexed at Annexure 1 hereto.

- 8 The rights and restrictions attaching to the shares in the Surviving Company (as the surviving company of the Merger) are set out in the Amended and Restated Memorandum and Articles of Association of the Surviving Company in the form annexed at Annexure 2 hereto.
- 9 Upon the Effective Date, the authorised share capital of the Surviving Company be decreased from NT\$600,000,000 divided into 60,000,000 ordinary shares of a par value of NT\$10 each to NT\$100,000 divided into 10,000 ordinary shares each of a par value of NT\$10 each by the cancellation of 59,990,000 shares of NT\$10 par value each.
- 10 The Memorandum and Articles of Association of the Company shall be amended and restated by their deletion in their entirety and the substitution in their place of the Amended and Restated Memorandum and Articles of Association of the Surviving Company in the form annexed at Annexure 2 hereto on the Effective Date, and the authorised share capital of the Surviving Company shall be as set out therein.
- 11 There are no amounts or benefits which are or shall be paid or payable to any director of either constituent company or the Surviving Company consequent upon the Merger.
- 12 The Merging Company has granted no fixed or floating security interests that are outstanding as at the date of this Plan of Merger.
- 13 The Company has granted no fixed or floating security interests that are outstanding as at the date of this Plan of Merger.
- 14 The names and addresses of each director of the surviving company (as defined in the Statute) are:
 - 14.1 Tang, Shih-Chuan of 15F., No. 8; Ln. 107 Wanfang Rd., Wenshan Dist., Taipei City, Taiwan (R.O.C.)
 - 14.2 Chan, Yi-Chen of 5F., No. 113; Sec. 2 Jianguo Rd., Da'an Dist., Taipei City, Taiwan (R.O.C.) and
 - 14.3 Wang, Chih-Yuan of 10F., No. 16-5; Ln. 113 Junying St., Shulin Dist., New Taipei City, Taiwan (R.O.C.).
- 15 This Plan of Merger has been approved by the board of directors of each of the Company and the Merging Company pursuant to section 233(3) of the Statute.
- 16 This Plan of Merger has been authorised by the shareholders of the Company pursuant to section 233(6) of the Statute by way of resolutions passed at an annual general meeting of the Company. This Plan of Merger has been authorised by the sole shareholder of the Merger Company pursuant to section 233(6) of the Statute.
- 17 At any time prior to the Effective Date, this Plan of Merger may be:
 - 17.1 terminated by the board of directors of either the Company or the Merging Company;
 - 17.2 amended by the board of directors of both the Company and the Merging Company to:

- (a) change the Effective Date provided that such changed date shall not be a date later than the ninetieth day after the date of registration of this Plan of Merger with the Registrar of Companies; and
- (b) effect any other changes to this Plan of Merger which the directors of both the Company and the Merging Company deem advisable, provided that such changes do not materially adversely affect any rights of the shareholders of the Company or the Merging Company, as determined by the directors of both the Company and the Merging Company, respectively.

18 This Plan of Merger may be executed in counterparts.

19 This Plan of Merger shall be governed by and construed in accordance with the laws of the Cayman Islands.

In witness whereof the parties hereto have caused this Plan of Merger to be executed on the day and year first above written.

SIGNED by Chang, Chia-Jui)
Duly authorised for) _____
and on behalf of) Director
StrongLED Lighting Systems)
(Cayman) Co., Ltd.)

SIGNED by Tang, Shih-Chuan)
Duly authorised for) _____
and on behalf of) Director
TONS LIGHTOLOGY (CAYMAN) INC.)

Annex B

Articles of Association of StrongLED upon Effective Date

**THE COMPANIES ACT (AS REVISED)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED
MEMORANDUM AND ARTICLES OF ASSOCIATION**

OF

StrongLED Lighting Systems (Cayman) Co., Ltd.

**THE COMPANIES ACT (AS REVISED)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED
MEMORANDUM OF ASSOCIATION
OF**

StrongLED Lighting Systems (Cayman) Co., Ltd.

- 1 The name of the Company is StrongLED Lighting Systems (Cayman) Co., Ltd..
- 2 The Registered Office of the Company shall be at the offices of [***], [***], or at such other place within the Cayman Islands as the Directors may decide.
- 3 The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by the laws of the Cayman Islands.
- 4 The liability of each Member is limited to the amount unpaid on such Member's shares.
- 5 The share capital of the Company is NT\$100,000 divided into 10,000 shares of a par value of NT\$10 each.
- 6 The Company has power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.
- 7 Capitalised terms that are not defined in this Memorandum of Association bear the respective meanings given to them in the Articles of Association of the Company.

**THE COMPANIES ACT (AS REVISED)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES**

**AMENDED AND RESTATED
ARTICLES OF ASSOCIATION
OF**

StrongLED Lighting Systems (Cayman) Co., Ltd.

1 Interpretation

1.1 In the Articles Table A in the First Schedule to the Statute does not apply and, unless there is something in the subject or context inconsistent therewith:

"Articles"	means these articles of association of the Company.
"Auditor"	means the person for the time being performing the duties of auditor of the Company (if any).
"Company"	means the above named company.
"Directors"	means the directors for the time being of the Company.
"Dividend"	means any dividend (whether interim or final) resolved to be paid on Shares pursuant to the Articles.
"Electronic Record"	has the same meaning as in the Electronic Transactions Act.
"Electronic Transactions Act"	means the Electronic Transactions Act (As Revised) of the Cayman Islands.
"Member"	has the same meaning as in the Statute.
"Memorandum"	means the memorandum of association of the Company.
"Ordinary Resolution"	means a resolution passed by a simple majority of the Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting, and includes a unanimous written resolution. In computing the majority when a

poll is demanded regard shall be had to the number of votes to which each Member is entitled by the Articles.

"Register of Members"	means the register of Members maintained in accordance with the Statute and includes (except where otherwise stated) any branch or duplicate register of Members.
"Registered Office"	means the registered office for the time being of the Company.
"Seal"	means the common seal of the Company and includes every duplicate seal.
"Share"	means a share in the Company and includes a fraction of a share in the Company.
"Special Resolution"	has the same meaning as in the Statute, and includes a unanimous written resolution.
"Statute"	means the Companies Act (As Revised) of the Cayman Islands.
"Subscriber"	means the subscriber to the Memorandum.
"Treasury Share"	means a Share held in the name of the Company as a treasury share in accordance with the Statute.

1.2 In the Articles:

- (a) words importing the singular number include the plural number and vice versa;
- (b) words importing the masculine gender include the feminine gender;
- (c) words importing persons include corporations as well as any other legal or natural person;
- (d) "written" and "in writing" include all modes of representing or reproducing words in visible form, including in the form of an Electronic Record;
- (e) "shall" shall be construed as imperative and "may" shall be construed as permissive;
- (f) references to provisions of any law or regulation shall be construed as references to those provisions as amended, modified, re-enacted or replaced;
- (g) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

- (h) the term "and/or" is used to mean both "and" as well as "or." The use of "and/or" in certain contexts in no respects qualifies or modifies the use of the terms "and" or "or" in others. The term "or" shall not be interpreted to be exclusive and the term "and" shall not be interpreted to require the conjunctive (in each case, unless the context otherwise requires);
- (i) headings are inserted for reference only and shall be ignored in construing the Articles;
- (j) any requirements as to delivery under the Articles include delivery in the form of an Electronic Record;
- (k) any requirements as to execution or signature under the Articles including the execution of the Articles themselves can be satisfied in the form of an electronic signature as defined in the Electronic Transactions Act;
- (l) sections 8 and 19(3) of the Electronic Transactions Act shall not apply;
- (m) the term "clear days" in relation to the period of a notice means that period excluding the day when the notice is received or deemed to be received and the day for which it is given or on which it is to take effect; and
- (n) the term "holder" in relation to a Share means a person whose name is entered in the Register of Members as the holder of such Share.

2 Commencement of Business

- 2.1 The business of the Company may be commenced as soon after incorporation of the Company as the Directors shall see fit.
- 2.2 The Directors may pay, out of the capital or any other monies of the Company, all expenses incurred in or about the formation and establishment of the Company, including the expenses of registration.

3 Issue of Shares

- 3.1 Subject to the provisions, if any, in the Memorandum (and to any direction that may be given by the Company in general meeting) and without prejudice to any rights attached to any existing Shares, the Directors may allot, issue, grant options over or otherwise dispose of Shares (including fractions of a Share) with or without preferred, deferred or other rights or restrictions, whether in regard to Dividend or other distribution, voting, return of capital or otherwise and to such persons, at such times and on such other terms as they think proper, and may also (subject to the Statute and the Articles) vary such rights. Notwithstanding the foregoing, the Subscriber shall have the power to:
 - (a) issue one Share to itself;

- (b) transfer that Share by an instrument of transfer to any person; and
- (c) update the Register of Members in respect of the issue and transfer of that Share.

3.2 The Company shall not issue Shares to bearer.

4 Register of Members

4.1 The Company shall maintain or cause to be maintained the Register of Members in accordance with the Statute.

4.2 The Directors may determine that the Company shall maintain one or more branch registers of Members in accordance with the Statute. The Directors may also determine which register of Members shall constitute the principal register and which shall constitute the branch register or registers, and to vary such determination from time to time.

5 Closing Register of Members or Fixing Record Date

5.1 For the purpose of determining Members entitled to notice of, or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any Dividend or other distribution, or in order to make a determination of Members for any other purpose, the Directors may provide that the Register of Members shall be closed for transfers for a stated period which shall not in any case exceed forty days.

5.2 In lieu of, or apart from, closing the Register of Members, the Directors may fix in advance or arrears a date as the record date for any such determination of Members entitled to notice of, or to vote at any meeting of the Members or any adjournment thereof, or for the purpose of determining the Members entitled to receive payment of any Dividend or other distribution, or in order to make a determination of Members for any other purpose.

5.3 If the Register of Members is not so closed and no record date is fixed for the determination of Members entitled to notice of, or to vote at, a meeting of Members or Members entitled to receive payment of a Dividend or other distribution, the date on which notice of the meeting is sent or the date on which the resolution of the Directors resolving to pay such Dividend or other distribution is passed, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Article, such determination shall apply to any adjournment thereof.

6 Certificates for Shares

6.1 A Member shall only be entitled to a share certificate if the Directors resolve that share certificates shall be issued. Share certificates representing Shares, if any, shall be in such form as the Directors may determine. Share certificates shall be signed by one or more Directors or other person authorised by the Directors. The Directors may authorise certificates to be issued with the authorised signature(s) affixed by mechanical process. All certificates for Shares shall be

consecutively numbered or otherwise identified and shall specify the Shares to which they relate. All certificates surrendered to the Company for transfer shall be cancelled and subject to the Articles no new certificate shall be issued until the former certificate representing a like number of relevant Shares shall have been surrendered and cancelled.

- 6.2 The Company shall not be bound to issue more than one certificate for Shares held jointly by more than one person and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.
- 6.3 If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and on the payment of such expenses reasonably incurred by the Company in investigating evidence, as the Directors may prescribe, and (in the case of defacement or wearing out) upon delivery of the old certificate.
- 6.4 Every share certificate sent in accordance with the Articles will be sent at the risk of the Member or other person entitled to the certificate. The Company will not be responsible for any share certificate lost or delayed in the course of delivery.

7 Transfer of Shares

- 7.1 Subject to Article 3.1, Shares are transferable subject to the approval of the Directors by resolution who may, in their absolute discretion, decline to register any transfer of Shares without giving any reason. If the Directors refuse to register a transfer they shall notify the transferee within two months of such refusal.
- 7.2 The instrument of transfer of any Share shall be in writing and shall be executed by or on behalf of the transferor (and if the Directors so require, signed by or on behalf of the transferee). The transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the Register of Members.

8 Redemption, Repurchase and Surrender of Shares

- 8.1 Subject to the provisions of the Statute the Company may issue Shares that are to be redeemed or are liable to be redeemed at the option of the Member or the Company. The redemption of such Shares shall be effected in such manner and upon such other terms as the Company may, by Special Resolution, determine before the issue of the Shares.
- 8.2 Subject to the provisions of the Statute, the Company may purchase its own Shares (including any redeemable Shares) in such manner and on such other terms as the Directors may agree with the relevant Member.
- 8.3 The Company may make a payment in respect of the redemption or purchase of its own Shares in any manner permitted by the Statute, including out of capital.
- 8.4 The Directors may accept the surrender for no consideration of any fully paid Share.

9 Treasury Shares

- 9.1 The Directors may, prior to the purchase, redemption or surrender of any Share, determine that such Share shall be held as a Treasury Share.
- 9.2 The Directors may determine to cancel a Treasury Share or transfer a Treasury Share on such terms as they think proper (including, without limitation, for nil consideration).

10 Variation of Rights of Shares

- 10.1 If at any time the share capital of the Company is divided into different classes of Shares, all or any of the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be varied without the consent of the holders of the issued Shares of that class where such variation is considered by the Directors not to have a material adverse effect upon such rights; otherwise, any such variation shall be made only with the consent in writing of the holders of not less than two thirds of the issued Shares of that class, or with the approval of a resolution passed by a majority of not less than two thirds of the votes cast at a separate meeting of the holders of the Shares of that class. For the avoidance of doubt, the Directors reserve the right, notwithstanding that any such variation may not have a material adverse effect, to obtain consent from the holders of Shares of the relevant class. To any such meeting all the provisions of the Articles relating to general meetings shall apply *mutatis mutandis*, except that the necessary quorum shall be one person holding or representing by proxy at least one third of the issued Shares of the class and that any holder of Shares of the class present in person or by proxy may demand a poll.
- 10.2 For the purposes of a separate class meeting, the Directors may treat two or more or all the classes of Shares as forming one class of Shares if the Directors consider that such class of Shares would be affected in the same way by the proposals under consideration, but in any other case shall treat them as separate classes of Shares.
- 10.3 The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

11 Commission on Sale of Shares

The Company may, in so far as the Statute permits, pay a commission to any person in consideration of that person subscribing or agreeing to subscribe (whether absolutely or conditionally) or procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any Shares. Such commissions may be satisfied by the payment of cash and/or the issue of fully or partly paid-up Shares. The Company may also on any issue of Shares pay such brokerage as may be lawful.

12 Non Recognition of Trusts

The Company shall not be bound by or compelled to recognise in any way (even when notified) any equitable, contingent, future or partial interest in any Share, or (except only as is otherwise provided by the Articles or the Statute) any other rights in respect of any Share other than an absolute right to the entirety thereof in the holder.

13 Lien on Shares

- 13.1 The Company shall have a first and paramount lien on all Shares (whether fully paid-up or not) registered in the name of a Member (whether solely or jointly with others) for all debts, liabilities or engagements to or with the Company (whether presently payable or not) by such Member or their estate, either alone or jointly with any other person, whether a Member or not, but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The registration of a transfer of any such Share shall operate as a waiver of the Company's lien thereon. The Company's lien on a Share shall also extend to any amount payable in respect of that Share.
- 13.2 The Company may sell, in such manner as the Directors think fit, any Shares on which the Company has a lien, if a sum in respect of which the lien exists is presently payable, and is not paid within 14 clear days after notice has been received or deemed to have been received by the holder of the Shares, or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold.
- 13.3 To give effect to any such sale the Directors may authorise any person to execute an instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The purchaser or their nominee shall be registered as the holder of the Shares comprised in any such transfer, and they shall not be bound to see to the application of the purchase money, nor shall their title to the Shares be affected by any irregularity or invalidity in the sale or the exercise of the Company's power of sale under the Articles.
- 13.4 The net proceeds of such sale after payment of costs, shall be applied in payment of such part of the amount in respect of which the lien exists as is presently payable and any balance shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of the sale.

14 Call on Shares

- 14.1 Subject to the terms of the allotment and issue of any Shares, the Directors may make calls upon the Members in respect of any monies unpaid on their Shares (whether in respect of par value or premium), and each Member shall (subject to receiving at least 14 clear days' notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on the Shares. A call may be revoked or postponed, in whole or in part, as the Directors may determine. A call may be required to be paid by instalments. A person upon whom a call is made

shall remain liable for calls made upon them notwithstanding the subsequent transfer of the Shares in respect of which the call was made.

- 14.2 A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.
- 14.3 The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
- 14.4 If a call remains unpaid after it has become due and payable, the person from whom it is due shall pay interest on the amount unpaid from the day it became due and payable until it is paid at such rate as the Directors may determine (and in addition all expenses that have been incurred by the Company by reason of such non-payment), but the Directors may waive payment of the interest or expenses wholly or in part.
- 14.5 An amount payable in respect of a Share on issue or allotment or at any fixed date, whether on account of the par value of the Share or premium or otherwise, shall be deemed to be a call and if it is not paid all the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.
- 14.6 The Directors may issue Shares with different terms as to the amount and times of payment of calls, or the interest to be paid.
- 14.7 The Directors may, if they think fit, receive an amount from any Member willing to advance all or any part of the monies uncalled and unpaid upon any Shares held by that Member, and may (until the amount would otherwise become payable) pay interest at such rate as may be agreed upon between the Directors and the Member paying such amount in advance.
- 14.8 No such amount paid in advance of calls shall entitle the Member paying such amount to any portion of a Dividend or other distribution payable in respect of any period prior to the date upon which such amount would, but for such payment, become payable.

15 Forfeiture of Shares

- 15.1 If a call or instalment of a call remains unpaid after it has become due and payable the Directors may give to the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment. The notice shall specify where payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made will be liable to be forfeited.
- 15.2 If the notice is not complied with, any Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Directors. Such forfeiture shall include all Dividends, other distributions or other monies payable in respect of the forfeited Share and not paid before the forfeiture.

- 15.3 A forfeited Share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Directors think fit and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Directors think fit. Where for the purposes of its disposal a forfeited Share is to be transferred to any person the Directors may authorise some person to execute an instrument of transfer of the Share in favour of that person.
- 15.4 A person any of whose Shares have been forfeited shall cease to be a Member in respect of them and shall surrender to the Company for cancellation the certificate for the Shares forfeited and shall remain liable to pay to the Company all monies which at the date of forfeiture were payable by that person to the Company in respect of those Shares together with interest at such rate as the Directors may determine, but that person's liability shall cease if and when the Company shall have received payment in full of all monies due and payable by them in respect of those Shares.
- 15.5 A certificate in writing under the hand of one Director or officer of the Company that a Share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share. The certificate shall (subject to the execution of an instrument of transfer) constitute a good title to the Share and the person to whom the Share is sold or otherwise disposed of shall not be bound to see to the application of the purchase money, if any, nor shall their title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
- 15.6 The provisions of the Articles as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the par value of the Share or by way of premium as if it had been payable by virtue of a call duly made and notified.

16 Transmission of Shares

- 16.1 If a Member dies the survivor or survivors (where they were a joint holder) or their legal personal representatives (where they were a sole holder), shall be the only persons recognised by the Company as having any title to the deceased Member's Shares. The estate of a deceased Member is not thereby released from any liability in respect of any Share, for which the Member was a joint or sole holder.
- 16.2 Any person becoming entitled to a Share in consequence of the death or bankruptcy or liquidation or dissolution of a Member (or in any other way than by transfer) may, upon such evidence being produced as may be required by the Directors, elect, by a notice in writing sent by that person to the Company, either to become the holder of such Share or to have some person nominated by them registered as the holder of such Share. If they elect to have another person registered as the holder of such Share they shall sign an instrument of transfer of that Share to that person. The Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by the relevant Member before their death or bankruptcy or liquidation or dissolution, as the case may be.

16.3 A person becoming entitled to a Share by reason of the death or bankruptcy or liquidation or dissolution of a Member (or in any other case than by transfer) shall be entitled to the same Dividends, other distributions and other advantages to which they would be entitled if they were the holder of such Share. However, they shall not, before becoming a Member in respect of a Share, be entitled in respect of it to exercise any right conferred by membership in relation to general meetings of the Company and the Directors may at any time give notice requiring any such person to elect either to be registered or to have some person nominated by them registered as the holder of the Share (but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by the relevant Member before their death or bankruptcy or liquidation or dissolution or any other case than by transfer, as the case may be). If the notice is not complied with within 90 days of being received or deemed to be received (as determined pursuant to the Articles) the Directors may thereafter withhold payment of all Dividends, other distributions, bonuses or other monies payable in respect of the Share until the requirements of the notice have been complied with.

17 Amendments of Memorandum and Articles of Association and Alteration of Capital

17.1 The Company may by Ordinary Resolution:

- (a) increase its share capital by such sum as the Ordinary Resolution shall prescribe and with such rights, priorities and privileges annexed thereto, as the Company in general meeting may determine;
- (b) consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;
- (c) convert all or any of its paid-up Shares into stock, and reconvert that stock into paid-up Shares of any denomination;
- (d) by subdivision of its existing Shares or any of them divide the whole or any part of its share capital into Shares of smaller amount than is fixed by the Memorandum or into Shares without par value; and
- (e) cancel any Shares that at the date of the passing of the Ordinary Resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

17.2 All new Shares created in accordance with the provisions of the preceding Article shall be subject to the same provisions of the Articles with reference to the payment of calls, liens, transfer, transmission, forfeiture and otherwise as the Shares in the original share capital.

17.3 Subject to the provisions of the Statute and the provisions of the Articles as regards the matters to be dealt with by Ordinary Resolution, the Company may by Special Resolution:

- (a) change its name;

- (b) alter or add to the Articles;
- (c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein; and
- (d) reduce its share capital or any capital redemption reserve fund.

18 Offices and Places of Business

Subject to the provisions of the Statute, the Company may by resolution of the Directors change the location of its Registered Office. The Company may, in addition to its Registered Office, maintain such other offices or places of business as the Directors determine.

19 General Meetings

- 19.1 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 19.2 The Company may, but shall not (unless required by the Statute) be obliged to, in each year hold a general meeting as its annual general meeting, and shall specify the meeting as such in the notices calling it. Any annual general meeting shall be held at such time and place as the Directors shall appoint and if no other time and place is prescribed by them, it shall be held at the Registered Office on the second Wednesday in December of each year at ten o'clock in the morning. At these meetings the report of the Directors (if any) shall be presented.
- 19.3 The Directors may call general meetings, and they shall on a Members' requisition forthwith proceed to convene an extraordinary general meeting of the Company.
- 19.4 A Members' requisition is a requisition of Members holding at the date of deposit of the requisition not less than 10% in par value of the issued Shares which as at that date carry the right to vote at general meetings of the Company.
- 19.5 The Members' requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered Office, and may consist of several documents in like form each signed by one or more requisitionists.
- 19.6 If there are no Directors as at the date of the deposit of the Members' requisition or if the Directors do not within 21 days from the date of the deposit of the Members' requisition duly proceed to convene a general meeting to be held within a further 21 days, the requisitionists, or any of them representing more than one-half of the total voting rights of all of the requisitionists, may themselves convene a general meeting, but any meeting so convened shall be held no later than the day which falls three months after the expiration of the said 21 day period.
- 19.7 A general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by Directors.

20 Notice of General Meetings

- 20.1 At least five clear days' notice shall be given of any general meeting. Every notice shall specify the place, the day and the hour of the meeting and the general nature of the business to be conducted at the general meeting and shall be given in the manner hereinafter mentioned or in such other manner if any as may be prescribed by the Company, provided that a general meeting of the Company shall, whether or not the notice specified in this Article has been given and whether or not the provisions of the Articles regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed:
- (a) in the case of an annual general meeting, by all of the Members entitled to attend and vote at the meeting; and
 - (b) in the case of an extraordinary general meeting, by a majority in number of the Members having a right to attend and vote at the meeting, together holding not less than 95% in par value of the Shares giving that right.
- 20.2 The accidental omission to give notice of a general meeting to, or the non receipt of notice of a general meeting by, any person entitled to receive such notice shall not invalidate the proceedings of that general meeting.

21 Proceedings at General Meetings

- 21.1 No business shall be transacted at any general meeting unless a quorum is present. Two Members being individuals present in person or by proxy or if a corporation or other non-natural person by its duly authorised representative or proxy shall be a quorum unless the Company has only one Member entitled to vote at such general meeting in which case the quorum shall be that one Member present in person or by proxy or (in the case of a corporation or other non-natural person) by its duly authorised representative or proxy.
- 21.2 A person may participate at a general meeting by conference telephone or other communications equipment by means of which all the persons participating in the meeting can communicate with each other. Participation by a person in a general meeting in this manner is treated as presence in person at that meeting.
- 21.3 A resolution (including a Special Resolution) in writing (in one or more counterparts) signed by or on behalf of all of the Members for the time being entitled to receive notice of and to attend and vote at general meetings (or, being corporations or other non-natural persons, signed by their duly authorised representatives) shall be as valid and effective as if the resolution had been passed at a general meeting of the Company duly convened and held.
- 21.4 If a quorum is not present within half an hour from the time appointed for the meeting to commence or if during such a meeting a quorum ceases to be present, the meeting, if convened upon a Members' requisition, shall be dissolved and in any other case it shall stand adjourned to the same day in the next week at the same time and/or place or to such other day, time and/or place as the

Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting to commence, the Members present shall be a quorum.

- 21.5 The Directors may, at any time prior to the time appointed for the meeting to commence, appoint any person to act as chairperson of a general meeting of the Company or, if the Directors do not make any such appointment, the chairperson, if any, of the board of Directors shall preside as chairperson at such general meeting. If there is no such chairperson, or if the chairperson shall not be present within 15 minutes after the time appointed for the meeting to commence, or is unwilling to act, the Directors present shall elect one of their number to be chairperson of the meeting.
- 21.6 If no Director is willing to act as chairperson or if no Director is present within 15 minutes after the time appointed for the meeting to commence, the Members present shall choose one of their number to be chairperson of the meeting.
- 21.7 The chairperson may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 21.8 When a general meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise it shall not be necessary to give any such notice of an adjourned meeting.
- 21.9 A resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, the chairperson demands a poll, or any other Member or Members collectively present in person or by proxy (or in the case of a corporation or other non-natural person, by its duly authorised representative or proxy) and holding at least 10% in par value of the Shares giving a right to attend and vote at the meeting demand a poll.
- 21.10 Unless a poll is duly demanded and the demand is not withdrawn a declaration by the chairperson that a resolution has been carried or carried unanimously, or by a particular majority, or lost or not carried by a particular majority, an entry to that effect in the minutes of the proceedings of the meeting shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 21.11 The demand for a poll may be withdrawn.
- 21.12 Except on a poll demanded on the election of a chairperson or on a question of adjournment, a poll shall be taken as the chairperson directs, and the result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded.
- 21.13 A poll demanded on the election of a chairperson or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such date, time and place as the chairperson of the general meeting directs, and any business other than that upon which a poll has been demanded or is contingent thereon may proceed pending the taking of the poll.

21.14 In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson shall be entitled to a second or casting vote.

22 Votes of Members

22.1 Subject to any rights or restrictions attached to any Shares, on a show of hands every Member who (being an individual) is present in person or by proxy or, if a corporation or other non-natural person is present by its duly authorised representative or by proxy, shall have one vote and on a poll every Member present in any such manner shall have one vote for every Share of which they are the holder.

22.2 In the case of joint holders the vote of the senior holder who tenders a vote, whether in person or by proxy (or, in the case of a corporation or other non-natural person, by its duly authorised representative or proxy), shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register of Members.

22.3 A Member of unsound mind, or in respect of whom an order has been made by any court, having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by their committee, receiver, curator bonis, or other person on such Member's behalf appointed by that court, and any such committee, receiver, curator bonis or other person may vote by proxy.

22.4 No person shall be entitled to vote at any general meeting unless they are registered as a Member on the record date for such meeting nor unless all calls or other monies then payable by them in respect of Shares have been paid.

22.5 No objection shall be raised as to the qualification of any voter except at the general meeting or adjourned general meeting at which the vote objected to is given or tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time in accordance with this Article shall be referred to the chairperson whose decision shall be final and conclusive.

22.6 On a poll or on a show of hands votes may be cast either personally or by proxy (or in the case of a corporation or other non-natural person by its duly authorised representative or proxy). A Member may appoint more than one proxy or the same proxy under one or more instruments to attend and vote at a meeting. Where a Member appoints more than one proxy the instrument of proxy shall state which proxy is entitled to vote on a show of hands and shall specify the number of Shares in respect of which each proxy is entitled to exercise the related votes.

22.7 On a poll, a Member holding more than one Share need not cast the votes in respect of their Shares in the same way on any resolution and therefore may vote a Share or some or all such Shares either for or against a resolution and/or abstain from voting a Share or some or all of the Shares and, subject to the terms of the instrument appointing the proxy, a proxy appointed under one or more instruments may vote a Share or some or all of the Shares in respect of which they are appointed either for or against a resolution and/or abstain from voting a Share or some or all of the Shares in respect of which they are appointed.

23 Proxies

- 23.1 The instrument appointing a proxy shall be in writing and shall be executed under the hand of the appointor or of their attorney duly authorised in writing, or, if the appointor is a corporation or other non natural person, under the hand of its duly authorised representative. A proxy need not be a Member.
- 23.2 The Directors may, in the notice convening any meeting or adjourned meeting, or in an instrument of proxy sent out by the Company, specify the manner by which the instrument appointing a proxy shall be deposited and the place and the time (being not later than the time appointed for the commencement of the meeting or adjourned meeting to which the proxy relates) at which the instrument appointing a proxy shall be deposited. In the absence of any such direction from the Directors in the notice convening any meeting or adjourned meeting or in an instrument of proxy sent out by the Company, the instrument appointing a proxy shall be deposited physically at the Registered Office not less than 48 hours before the time appointed for the meeting or adjourned meeting to commence at which the person named in the instrument proposes to vote.
- 23.3 The chairperson may in any event at their discretion declare that an instrument of proxy shall be deemed to have been duly deposited. An instrument of proxy that is not deposited in the manner permitted, or which has not been declared to have been duly deposited by the chairperson, shall be invalid.
- 23.4 The instrument appointing a proxy may be in any usual or common form (or such other form as the Directors may approve) and may be expressed to be for a particular meeting or any adjournment thereof or generally until revoked. An instrument appointing a proxy shall be deemed to include the power to demand or join or concur in demanding a poll.
- 23.5 Votes given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Share in respect of which the proxy is given unless notice in writing of such death, insanity, revocation or transfer was received by the Company at the Registered Office before the commencement of the general meeting, or adjourned meeting at which it is sought to use the proxy.

24 Corporate Members

Any corporation or other non-natural person which is a Member may in accordance with its constitutional documents, or in the absence of such provision by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which they represent as the corporation could exercise if it were an individual Member.

25 Shares that May Not be Voted

Shares in the Company that are beneficially owned by the Company shall not be voted, directly or indirectly, at any meeting and shall not be counted in determining the total number of outstanding Shares at any given time.

26 Directors

There shall be a board of Directors consisting of not less than one person (exclusive of alternate Directors) provided however that the Company may by Ordinary Resolution increase or reduce the limits in the number of Directors. The first Directors of the Company may be determined in writing by, or appointed by a resolution of, the Subscriber.

27 Powers of Directors

27.1 Subject to the provisions of the Statute, the Memorandum and the Articles and to any directions given by Special Resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. A duly convened meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

27.2 All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Directors shall determine by resolution.

27.3 The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to their surviving spouse, civil partner or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

27.4 The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof and to issue debentures, debenture stock, mortgages, bonds and other such securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

28 Appointment and Removal of Directors

28.1 The Company may by Ordinary Resolution appoint any person to be a Director or may by Ordinary Resolution remove any Director.

28.2 The Directors may appoint any person to be a Director, either to fill a vacancy or as an additional Director provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors.

29 Vacation of Office of Director

The office of a Director shall be vacated if:

- (a) the Director gives notice in writing to the Company that they resign the office of Director; or
- (b) the Director is absent (for the avoidance of doubt, without being represented by proxy or an alternate Director appointed by them) from three consecutive meetings of the board of Directors without special leave of absence from the Directors, and the Directors pass a resolution that they have by reason of such absence vacated office; or
- (c) the Director dies, becomes bankrupt or makes any arrangement or composition with their creditors generally; or
- (d) the Director is found to be or becomes of unsound mind; or
- (e) all of the other Directors (being not less than two in number) determine that the Director should be removed as a Director, either by a resolution passed by all of the other Directors at a meeting of the Directors duly convened and held in accordance with the Articles or by a resolution in writing signed by all of the other Directors.

30 Proceedings of Directors

- 30.1 The quorum for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be two if there are two or more Directors, and shall be one if there is only one Director. A person who holds office as an alternate Director shall, if their appointor is not present, be counted in the quorum. A Director who also acts as an alternate Director shall, if their appointor is not present, count twice towards the quorum.
- 30.2 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairperson shall have a second or casting vote. A Director who is also an alternate Director shall be entitled in the absence of their appointor to a separate vote on behalf of their appointor in addition to their own vote.
- 30.3 A person may participate in a meeting of the Directors or any committee of Directors by conference telephone or other communications equipment by means of which all the persons participating in the meeting can communicate with each other at the same time. Participation by a person in a meeting in this manner is treated as presence in person at that meeting. Unless otherwise determined by the Directors the meeting shall be deemed to be held at the place where the chairperson is located at the start of the meeting.
- 30.4 A resolution in writing (in one or more counterparts) signed by all the Directors or all the members of a committee of the Directors or, in the case of a resolution in writing relating to the removal of any Director or the vacation of office by any Director, all of the Directors other than the Director who is the subject of such resolution (an alternate Director being entitled to sign such a resolution

on behalf of their appointor and if such alternate Director is also a Director, being entitled to sign such resolution both on behalf of their appointor and in their capacity as a Director) shall be as valid and effectual as if it had been passed at a meeting of the Directors, or committee of Directors as the case may be, duly convened and held.

- 30.5 A Director or alternate Director may, or other officer of the Company on the direction of a Director or alternate Director shall, call a meeting of the Directors by at least two days' notice in writing to every Director and alternate Director which notice shall set forth the general nature of the business to be considered unless notice is waived by all the Directors (or their alternates) either at, before or after the meeting is held. To any such notice of a meeting of the Directors all the provisions of the Articles relating to the giving of notices by the Company to the Members shall apply *mutatis mutandis*.
- 30.6 The continuing Directors (or a sole continuing Director, as the case may be) may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the Articles as the necessary quorum of Directors the continuing Directors or Director may act for the purpose of increasing the number of Directors to be equal to such fixed number, or of summoning a general meeting of the Company, but for no other purpose.
- 30.7 The Directors may elect a chairperson of their board and determine the period for which they are to hold office; but if no such chairperson is elected, or if at any meeting the chairperson is not present within five minutes after the time appointed for the meeting to commence, the Directors present may choose one of their number to be chairperson of the meeting.
- 30.8 All acts done by any meeting of the Directors or of a committee of the Directors (including any person acting as an alternate Director) shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any Director or alternate Director, and/or that they or any of them were disqualified, and/or had vacated their office and/or were not entitled to vote, be as valid as if every such person had been duly appointed and/or not disqualified to be a Director or alternate Director and/or had not vacated their office and/or had been entitled to vote, as the case may be.
- 30.9 A Director but not an alternate Director may be represented at any meetings of the board of Directors by a proxy appointed in writing by that Director. The proxy shall count towards the quorum and the vote of the proxy shall for all purposes be deemed to be that of the appointing Director.

31 Presumption of Assent

A Director or alternate Director who is present at a meeting of the board of Directors at which action on any Company matter is taken shall be presumed to have assented to the action taken unless their dissent shall be entered in the minutes of the meeting or unless they shall file their written dissent from such action with the person acting as the chairperson or secretary of the meeting before the adjournment thereof or shall forward such dissent by registered post to such person immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director or alternate Director who voted in favour of such action.

32 Directors' Interests

- 32.1 A Director or alternate Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with their office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine.
- 32.2 A Director or alternate Director may act on their own or by, through or on behalf of their firm in a professional capacity for the Company and they or their firm shall be entitled to remuneration for professional services as if they were not a Director or alternate Director.
- 32.3 A Director or alternate Director may be or become a director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested as a shareholder, a contracting party or otherwise, and no such Director or alternate Director shall be accountable to the Company for any remuneration or other benefits received by them as a director or officer of, or from their interest in, such other company.
- 32.4 No person shall be disqualified from the office of Director or alternate Director or prevented by such office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of the Company in which any Director or alternate Director shall be in any way interested be or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Company for any profit realised by or arising in connection with any such contract or transaction by reason of such Director or alternate Director holding office or of the fiduciary relationship thereby established. A Director (or their alternate Director in their absence) shall be at liberty to vote in respect of any contract or transaction in which they are interested provided that the nature of the interest of any Director or alternate Director in any such contract or transaction shall be disclosed by them at or prior to its consideration and any vote thereon.
- 32.5 A general notice that a Director or alternate Director is a shareholder, director, officer or employee of any specified firm or company and is to be regarded as interested in any transaction with such firm or company shall be sufficient disclosure for the purposes of voting on a resolution in respect of a contract or transaction in which they have an interest, and after such general notice it shall not be necessary to give special notice relating to any particular transaction.

33 Minutes

The Directors shall cause minutes to be made in books kept for the purpose of recording all appointments of officers made by the Directors, all proceedings at meetings of the Company or the holders of any class of Shares and of the Directors, and of committees of the Directors, including the names of the Directors or alternate Directors present at each meeting.

34 Delegation of Directors' Powers

- 34.1 The Directors may delegate any of their powers, authorities and discretions, including the power to sub-delegate, to any committee consisting of one or more Directors. They may also delegate to any managing director or any Director holding any other executive office such of their powers,

authorities and discretions as they consider desirable to be exercised by that Director, provided that an alternate Director may not act as managing director and the appointment of a managing director shall be revoked forthwith if they cease to be a Director. Any such delegation may be made subject to any conditions the Directors may impose and either collaterally with or to the exclusion of their own powers and any such delegation may be revoked or altered by the Directors. Subject to any such conditions, the proceedings of a committee of Directors shall be governed by the Articles regulating the proceedings of Directors, so far as they are capable of applying.

- 34.2 The Directors may establish any committees, local boards or agencies or appoint any person to be a manager or agent for managing the affairs of the Company and may appoint any person to be a member of such committees, local boards or agencies. Any such appointment may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and any such appointment may be revoked or altered by the Directors. Subject to any such conditions, the proceedings of any such committee, local board or agency shall be governed by the Articles regulating the proceedings of Directors, so far as they are capable of applying.
- 34.3 The Directors may by power of attorney or otherwise appoint any person to be the agent of the Company on such conditions as the Directors may determine, provided that the delegation is not to the exclusion of their own powers and may be revoked by the Directors at any time.
- 34.4 The Directors may by power of attorney or otherwise appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or authorised signatory of the Company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under the Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney or other appointment may contain such provisions for the protection and convenience of persons dealing with any such attorneys or authorised signatories as the Directors may think fit and may also authorise any such attorney or authorised signatory to delegate all or any of the powers, authorities and discretions vested in them.
- 34.5 The Directors may appoint such officers of the Company (including, for the avoidance of doubt and without limitation, any secretary) as they consider necessary on such terms, at such remuneration and to perform such duties, and subject to such provisions as to disqualification and removal as the Directors may think fit. Unless otherwise specified in the terms of their appointment an officer of the Company may be removed by resolution of the Directors or Members. An officer of the Company may vacate their office at any time if they give notice in writing to the Company that they resign their office.

35 Alternate Directors

- 35.1 Any Director (but not an alternate Director) may by writing appoint any other Director, or any other person willing to act, to be an alternate Director and by writing may remove from office an alternate Director so appointed by them.

- 35.2 An alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which their appointor is a member, to attend and vote at every such meeting at which the Director appointing them is not personally present, to sign any written resolution of the Directors, and generally to perform all the functions of their appointor as a Director in their absence.
- 35.3 An alternate Director shall cease to be an alternate Director if their appointor ceases to be a Director.
- 35.4 Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.
- 35.5 Subject to the provisions of the Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for their own acts and defaults and shall not be deemed to be the agent of the Director appointing them.

36 No Minimum Shareholding

The Company in general meeting may fix a minimum shareholding required to be held by a Director, but unless and until such a shareholding qualification is fixed a Director is not required to hold Shares.

37 Remuneration of Directors

- 37.1 The remuneration to be paid to the Directors, if any, shall be such remuneration as the Directors shall determine. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors, or general meetings of the Company, or separate meetings of the holders of any class of Shares or debentures of the Company, or otherwise in connection with the business of the Company or the discharge of their duties as a Director, or to receive a fixed allowance in respect thereof as may be determined by the Directors, or a combination partly of one such method and partly the other.
- 37.2 The Directors may by resolution approve additional remuneration to any Director for any services which in the opinion of the Directors go beyond that Director's ordinary routine work as a Director. Any fees paid to a Director who is also counsel, attorney or solicitor to the Company, or otherwise serves it in a professional capacity shall be in addition to their remuneration as a Director.

38 Seal

- 38.1 The Company may, if the Directors so determine, have a Seal. The Seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors. Every instrument to which the Seal has been affixed shall be signed by at least one person who shall be either a Director or some officer of the Company or other person appointed by the Directors for the purpose.

- 38.2 The Company may have for use in any place or places outside the Cayman Islands a duplicate Seal or Seals each of which shall be a facsimile of the common Seal of the Company and, if the Directors so determine, with the addition on its face of the name of every place where it is to be used.
- 38.3 A Director or officer, representative or attorney of the Company may without further authority of the Directors affix the Seal over their signature alone to any document of the Company required to be authenticated by them under seal or to be filed with the Registrar of Companies in the Cayman Islands or elsewhere wheresoever.

39 Dividends, Distributions and Reserve

- 39.1 Subject to the Statute and this Article and except as otherwise provided by the rights attached to any Shares, the Directors may resolve to pay Dividends and other distributions on Shares in issue and authorise payment of the Dividends or other distributions out of the funds of the Company lawfully available therefor. A Dividend shall be deemed to be an interim Dividend unless the terms of the resolution pursuant to which the Directors resolve to pay such Dividend specifically state that such Dividend shall be a final Dividend. No Dividend or other distribution shall be paid except out of the realised or unrealised profits of the Company, out of the share premium account or as otherwise permitted by law.
- 39.2 Except as otherwise provided by the rights attached to any Shares, all Dividends and other distributions shall be paid according to the par value of the Shares that a Member holds. If any Share is issued on terms providing that it shall rank for Dividend as from a particular date, that Share shall rank for Dividend accordingly.
- 39.3 The Directors may deduct from any Dividend or other distribution payable to any Member all sums of money (if any) then payable by the Member to the Company on account of calls or otherwise.
- 39.4 The Directors may resolve that any Dividend or other distribution be paid wholly or partly by the distribution of specific assets and in particular (but without limitation) by the distribution of shares, debentures, or securities of any other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional Shares and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the basis of the value so fixed in order to adjust the rights of all Members and may vest any such specific assets in trustees in such manner as may seem expedient to the Directors.
- 39.5 Except as otherwise provided by the rights attached to any Shares, Dividends and other distributions may be paid in any currency. The Directors may determine the basis of conversion for any currency conversions that may be required and how any costs involved are to be met.
- 39.6 The Directors may, before resolving to pay any Dividend or other distribution, set aside such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be

applicable for any purpose of the Company and pending such application may, at the discretion of the Directors, be employed in the business of the Company.

- 39.7 Any Dividend, other distribution, interest or other monies payable in cash in respect of Shares may be paid by wire transfer to the holder or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the holder who is first named on the Register of Members or to such person and to such address as such holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any Dividends, other distributions, bonuses, or other monies payable in respect of the Share held by them as joint holders.
- 39.8 No Dividend or other distribution shall bear interest against the Company.
- 39.9 Any Dividend or other distribution which cannot be paid to a Member and/or which remains unclaimed after six months from the date on which such Dividend or other distribution becomes payable may, in the discretion of the Directors, be paid into a separate account in the Company's name, provided that the Company shall not be constituted as a trustee in respect of that account and the Dividend or other distribution shall remain as a debt due to the Member. Any Dividend or other distribution which remains unclaimed after a period of six years from the date on which such Dividend or other distribution becomes payable shall be forfeited and shall revert to the Company.

40 Capitalisation

The Directors may at any time capitalise any sum standing to the credit of any of the Company's reserve accounts or funds (including the share premium account and capital redemption reserve fund) or any sum standing to the credit of the profit and loss account or otherwise available for distribution; appropriate such sum to Members in the proportions in which such sum would have been divisible amongst such Members had the same been a distribution of profits by way of Dividend or other distribution; and apply such sum on their behalf in paying up in full unissued Shares for allotment and distribution credited as fully paid-up to and amongst them in the proportion aforesaid. In such event the Directors shall do all acts and things required to give effect to such capitalisation, with full power given to the Directors to make such provisions as they think fit in the case of Shares becoming distributable in fractions (including provisions whereby the benefit of fractional entitlements accrue to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all of the Members interested into an agreement with the Company providing for such capitalisation and matters incidental or relating thereto and any agreement made under such authority shall be effective and binding on all such Members and the Company.

41 Books of Account

- 41.1 The Directors shall cause proper books of account (including, where applicable, material underlying documentation including contracts and invoices) to be kept with respect to all sums of money received and expended by the Company and the matters in respect of which the receipt or expenditure takes place, all sales and purchases of goods by the Company and the assets and

liabilities of the Company. Such books of account must be retained for a minimum period of five years from the date on which they are prepared. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

- 41.2 The Directors shall determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Directors or by the Company in general meeting.
- 41.3 The Directors may cause to be prepared and to be laid before the Company in general meeting profit and loss accounts, balance sheets, group accounts (if any) and such other reports and accounts as may be required by law.

42 Audit

- 42.1 The Directors may appoint an Auditor of the Company who shall hold office on such terms as the Directors determine.
- 42.2 Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditor.
- 42.3 Auditors shall, if so required by the Directors, make a report on the accounts of the Company during their tenure of office at the next annual general meeting following their appointment in the case of a company which is registered with the Registrar of Companies as an ordinary company, and at the next extraordinary general meeting following their appointment in the case of a company which is registered with the Registrar of Companies as an exempted company, and at any other time during their term of office, upon request of the Directors or any general meeting of the Members.

43 Notices

- 43.1 Notices shall be in writing and may be given by the Company to any Member either personally or by sending it by courier, post, telex, fax or email to such Member or to such Member's address as shown in the Register of Members (or where the notice is given by email by sending it to the email address provided by such Member). Any notice, if posted from one country to another, is to be sent by airmail.
- 43.2 Where a notice is sent by courier, service of the notice shall be deemed to be effected by delivery of the notice to a courier company, and shall be deemed to have been received on the third day (not including Saturdays or Sundays or public holidays) following the day on which the notice was delivered to the courier. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre paying and posting a letter containing the notice, and shall

be deemed to have been received on the fifth day (not including Saturdays or Sundays or public holidays in the Cayman Islands) following the day on which the notice was posted. Where a notice is sent by telex or fax service of the notice shall be deemed to be effected by properly addressing and sending such notice and shall be deemed to have been received on the same day that it was transmitted. Where a notice is given by email service shall be deemed to be effected by transmitting the email to the email address provided by the intended recipient and shall be deemed to have been received on the same day that it was sent, and it shall not be necessary for the receipt of the email to be acknowledged by the recipient.

- 43.3 A notice may be given by the Company to the person or persons which the Company has been advised are entitled to a Share or Shares in consequence of the death or bankruptcy of a Member in the same manner as other notices which are required to be given under the Articles and shall be addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address supplied for that purpose by the persons claiming to be so entitled, or at the option of the Company by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
- 43.4 Notice of every general meeting shall be given in any manner authorised by the Articles to every holder of Shares carrying an entitlement to receive such notice on the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the Register of Members and every person upon whom the ownership of a Share devolves because they are a legal personal representative or a trustee in bankruptcy of a Member where the Member but for their death or bankruptcy would be entitled to receive notice of the meeting, and no other person shall be entitled to receive notices of general meetings.

44 Winding Up

- 44.1 If the Company shall be wound up the liquidator shall apply the assets of the Company in satisfaction of creditors' claims in such manner and order as such liquidator thinks fit. Subject to the rights attaching to any Shares, in a winding up:
- (a) if the assets available for distribution amongst the Members shall be insufficient to repay the whole of the Company's issued share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the par value of the Shares held by them; or
 - (b) if the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the Company's issued share capital at the commencement of the winding up, the surplus shall be distributed amongst the Members in proportion to the par value of the Shares held by them at the commencement of the winding up subject to a deduction from those Shares in respect of which there are monies due, of all monies payable to the Company for unpaid calls or otherwise.
- 44.2 If the Company shall be wound up the liquidator may, subject to the rights attaching to any Shares and with the approval of a Special Resolution of the Company and any other approval required by

the Statute, divide amongst the Members in kind the whole or any part of the assets of the Company (whether such assets shall consist of property of the same kind or not) and may for that purpose value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like approval, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the liquidator, with the like approval, shall think fit, but so that no Member shall be compelled to accept any asset upon which there is a liability.

45 Indemnity and Insurance

- 45.1 Every Director and officer of the Company (which for the avoidance of doubt, shall not include auditors of the Company), together with every former Director and former officer of the Company (each an "**Indemnified Person**") shall be indemnified out of the assets of the Company against any liability, action, proceeding, claim, demand, costs, damages or expenses, including legal expenses, whatsoever which they or any of them may incur as a result of any act or failure to act in carrying out their functions other than such liability (if any) that they may incur by reason of their own actual fraud or wilful default. No Indemnified Person shall be liable to the Company for any loss or damage incurred by the Company as a result (whether direct or indirect) of the carrying out of their functions unless that liability arises through the actual fraud or wilful default of such Indemnified Person. No person shall be found to have committed actual fraud or wilful default under this Article unless or until a court of competent jurisdiction shall have made a finding to that effect.
- 45.2 The Company shall advance to each Indemnified Person reasonable attorneys' fees and other costs and expenses incurred in connection with the defence of any action, suit, proceeding or investigation involving such Indemnified Person for which indemnity will or could be sought. In connection with any advance of any expenses hereunder, the Indemnified Person shall execute an undertaking to repay the advanced amount to the Company if it shall be determined by final judgment or other final adjudication that such Indemnified Person was not entitled to indemnification pursuant to this Article. If it shall be determined by a final judgment or other final adjudication that such Indemnified Person was not entitled to indemnification with respect to such judgment, costs or expenses, then such party shall not be indemnified with respect to such judgment, costs or expenses and any advancement shall be returned to the Company (without interest) by the Indemnified Person.
- 45.3 The Directors, on behalf of the Company, may purchase and maintain insurance for the benefit of any Director or other officer of the Company against any liability which, by virtue of any rule of law, would otherwise attach to such person in respect of any negligence, default, breach of duty or breach of trust of which such person may be guilty in relation to the Company.

46 Financial Year

Unless the Directors otherwise prescribe, the financial year of the Company shall end on 31st December in each year and, following the year of incorporation, shall begin on 1st January in each year.

47 Transfer by Way of Continuation

If the Company is exempted as defined in the Statute, it shall, subject to the provisions of the Statute and with the approval of a Special Resolution, have the power to register by way of continuation as a body corporate under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

48 Mergers and Consolidations

The Company shall have the power to merge or consolidate with one or more other constituent companies (as defined in the Statute) upon such terms as the Directors may determine and (to the extent required by the Statute) with the approval of a Special Resolution.

Annex C

The articles of incorporation of Tons upon Effective Date

Tons Lightology Inc.
Articles of Incorporation
(Translation)

Chapter 1 General Rules

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

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

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

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

Chapter 2 Shares

Article 4 : The capital stock of the Company is authorized for an amount of NT\$800,000,000 with 80,000,000 shares issued at NT\$10 par by installment in accordance with the resolutions of the Board.
An amount of NT\$80,000,000 is to be appropriated from the total capital stock stated in the preceding paragraph for issuing employee stock warrants with 8,000,000 shares issued by installment in accordance with the resolutions of the Board.

- Article 5 : The Company's transfer investment is not subject to the investment limit of 40% of paid-in capital stated in Article 13 of the Company Law.
- Article 5.1 : The Company may have endorsement and guarantee made externally in accordance with the Company's "Regulations Governing Making of Endorsements/Guarantees."
- Article 6 : The share certificates of the Company shall be Registered Stock, shall be assigned with serial numbers, shall be affixed with the signatures or personal seals of directors of the Company, and shall be duly certified or authenticated by the bank competent to serve as attesters for the issuance of share certificates under the laws before issuance thereof.
The Company may have stock shares issued without any printout made; also, should contact Taiwan Depository & Clearing Corporation for registration. The Company has stock affairs handled in accordance with the relevant laws and regulations of the competent authorities.
- Article 7 : The contents of the shareholder registry may not be modified within 60 days prior to the general shareholders' meeting, thirty days prior to the extraordinary shareholders' meeting, or five days prior to the base date for the distribution of dividend, bonus, or other interests announced by the Company.
- Article 8 : Shareholders' meetings are classified as general shareholders' meeting and extraordinary shareholders' meeting. General shareholders' meeting is to be convened by the Board of Directors once a year within six months at the end of the fiscal year while extraordinary shareholders' meeting can be convened lawfully at anytime when it is necessary.
The Company may hold a shareholders' meeting using a visual communication network or other methods promulgated by the central competent authority.
- Article 8.1 : The date of the meeting, place, and reasons for convening shareholders' meeting should be forwarded to each shareholder thirty days prior to the meeting date for general shareholders' meeting and fifteen days for extraordinary shareholders' meeting.

Chapter 3 Shareholders' Meeting

- Article 9 : The Chairman is to preside the shareholders' meeting. If the Chairman is on leave or cannot perform duty for reasons, the Vice Chairman is to preside the meeting. If there is not a Vice Chairman appointed or the Vice Chairman is also on leave or cannot perform duty for reasons, the Chairman is to appoint his/her representative to preside the meeting. If the Chairman failed to have his/her representative appointed, the representative is to be elected among the Board Directors.
- Article 10 : Shareholders who cannot attend the shareholders' meeting for reasons may

have had the representative attending the meeting instead by proxy in accordance with Article 177 of the Company Law.

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

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

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

Chapter 4 Directors and Managers

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

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

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

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

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

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

The audit committee is composed of all independent directors.

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

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

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

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

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

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

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

Chapter 5 Accountants

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

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

1. Business Report
2. Financial Statements
3. Statement of Earnings Distribution or Loss Subsidy

Article 23 : Dividends and bonuses are distributed proportionally to the shareholding of

the shareholders. The Company without any earnings may not have dividends and bonuses distributed.

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

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

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

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

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

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

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

The Board of Directors of the Company may distribute all or partial of the distributable dividends or bonuses, additional paid-in capital or legal reserve in cash approach under resolution made by more than half of the attended Board members (under circumstances that more than two thirds of the total Board members attend), and such resolution shall be reported at the Annual Shareholders Meeting. The regulations of the preceding Paragraph shall not apply.

Article 25 : The shareholder dividend and bonus will be distributed to the shareholders

who are included in the shareholders' registry five days prior to the base line date.

Chapter 6 Annex

- Article 26 : The Company's charter and enforcement rules will be enacted separately.
- Article 27 : The matters not addressed in the Articles of Association should be processed in accordance with the Company Law.
- Article 28 : The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The 1st amendment made on June 26, 2010. The 2nd amendment made on November 20, 2010. The 3rd amendment made on March 8, 2002. The 4th amendment made on November 25, 2002. The 5th amendment made on February 10, 2002. The 6th amendment made on March 7, 2006. The 7th amendment made on August 10, 2006. The 8th amendment made on October 12, 2006. The 9th amendment made on April 29, 2007. The 10th amendment made on May 10, 2007. The 11th amendment made on July 29, 2007. The 12th amendment made on October 8, 2007. The 13th amendment made on December 31, 2007. The 14th amendment made on June 26, 2009. The 15th amendment made on May 23, 2011. The 16th amendment made on June 20, 2012. The 17th amendment made on June 10, 2013. The 18th amendment made on May 28, 2015. The 19th amendment made on May 31, 2016. The 20th amendment made on May 26, 2017. The 21st amendment made on May 30, 2018. The 22nd amendment will be made on May 29, 2019. The 23rd amendment will be made on May 26, 2022. The 24rd amendment will be made on May 25, 2023.

[Appendix 1]

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

Article 1: The Rules of Procedure for Shareholder Meetings, except as otherwise provided by law, regulation, or the Articles of Incorporation, shall be as provided in these Rules.

Article 2: Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.

Changes to the means of convening a shareholders' meeting shall be subject to a resolution of the Board of Directors, and shall be made no later than the delivery of the shareholders' meeting notice.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. However, if a company has paid-in capital of NT\$10 billion or more at the end of the most recent fiscal year or has 30% of its shares held by foreign and Mainland Chinese investors based on the shareholder register at the shareholders' meeting in the most recent fiscal year is more than 30%. it shall upload the electronic versions of such materials to the MOPS 30 days before the date of the regular shareholders' meeting. In addition, before 15 days before the date of the shareholders' meeting, the Company shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated.

The Company shall make the shareholders' meeting agenda and supplemental meeting materials mentioned in the preceding paragraph available for review by shareholders on the day of the regular shareholders' meeting in the following ways:

1. When a shareholders' meeting is held on-site, distribute at the meeting.
2. When a video-assisted shareholders' meeting is held, distribute at the meeting and on the video-conferencing platform as electronic files.
3. When a shareholders' meeting is held via video conferencing, distribute on the video-conferencing platform as electronic files.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in the electronic form.

Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matters under Paragraph 1, Article 185 and Article 43-6 of the Company Act or under Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice.

Where the re-election of all directors, as well as their inauguration date, is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a regular shareholders' meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda, provided a shareholder proposal for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the agenda by the Board of Directors. In addition, when the circumstances of any subparagraph of Paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders' meeting is held, the

Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in the discussion of the proposal.

Prior to the date for issuance of a notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting, the Board of Directors shall explain the reasons for the exclusion of any shareholder proposals not included in the agenda.

Article 3: For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the 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 the Company five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting via video conferencing, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4: The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration

shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

When the Company convenes a shareholders' meeting via video conferencing, it is not subject to the restrictions on the venue for a shareholders' meeting mentioned in the preceding paragraph.

Article 5: The Company shall specify in its shareholders' meeting notices the time during which shareholder, solicitor, and proxy agent (shareholder) attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be marked and a sufficient number of suitable personnel assigned to handle the registrations. Where a shareholders' meeting is held via video conferencing, shareholders shall register on the video conferencing platform at least 30 minutes prior to the time the meeting commences. Shareholders who have completed the registration shall be deemed to have attended the shareholders' meeting in person.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.

Where a shareholders' meeting is held via video conferencing, shareholders who intend to attend by video conference shall register with the Company two days prior to the shareholders' meeting.

Where a shareholders' meeting is held via video conferencing, the Company shall upload the meeting handbook, annual report, and other materials to the video conferencing platform at least 30 minutes before the start of the shareholders' meeting and maintain their availability until the end of the meeting.

Article 5-1: When the Company holds a shareholders' meeting via video conferencing, it shall specify the following matters in the shareholders' meeting notice:

1. Methods for shareholders to attend and exercise their rights in a shareholders' meeting via video conferencing.
2. Methods for handling obstacles to the video conferencing platform or attending a shareholders' meeting via video conferencing due to natural disasters, incidents, or other force majeure circumstances, including but not limited to:
 - (1) Where the aforesaid obstacles cannot be removed, the inaugural shareholders' meeting may be postponed or reconvened, with the date of postponement or reconvention set if appropriate.
 - (2) Shareholders who have not registered to attend the inaugural shareholders' meeting via video conferencing shall not attend the postponement or reconvention of the meeting.
 - (3) When the Company holds a video-assisted shareholders' meeting and fails to proceed with the video conference, the shareholders' meeting shall continue if the number of shares held by the attending shareholders, after deducting the number of shares held by the shareholders attending via video conferencing, reaches the statutory quota for the shareholders' meeting. The number of shares held by the shareholders attending via video conferencing shall be included in the total number of shares held by the attending shareholders and deemed abstentions in all resolutions of the shareholders' meeting.
 - (4) Methods for handling in the event that all the motions have been declared results and no extemporary motion has been made.
3. When convening a shareholders' meeting via video conferencing, the Company shall specify appropriate alternatives for shareholders who may have difficulty attending.

Article 6: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the Board. When the chairperson of the Board is on leave or for any reason unable to exercise the powers of the chairperson, the vice-chairperson shall act in place of the chairperson; if there is no vice-chairperson

or the vice-chairperson also is on leave or for any reason unable to exercise the powers of the vice-chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the chairperson of the Board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by a party with the power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

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

Article 7: 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 one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

When a shareholders' meeting is held via video conferencing, the Company shall record and retain the shareholders' registration, sign-in, attendance registration, questions, voting, and vote counting results and make an uninterrupted audio and video recording of the shareholders' meeting.

The materials and audio and video recordings mentioned in the preceding paragraph

shall be properly retained by the Company throughout the life of the Company, and the audio and video recordings shall be provided for institutions that are entrusted to handle video conferencing affairs for retention.

When a shareholders' meeting is held via video conferencing, the Company shall make the audio and video recording of the backend user interface of the video conferencing platform.

Article 8: Attendance at shareholders' meetings shall be calculated based on the numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in and the number of shares registered on the video conferencing platform plus the number of shares whose voting rights are exercised by correspondence or electronically.

The Chairman shall declare the meeting in session and the number of non-voting shares and the number of shares held by attending shareholders when it is meeting time. However, if the attending shareholders have less than majority shareholding, the Chairman may declare to have the meeting postponed, but it is limited to two postpones and for less than one hour together. If the quorum is not met after two postponements and the attending shareholders still represent less than one-third of the total number of issued shares, the chairman shall declare the meeting adjourned. If a shareholders' meeting is held via video conferencing, the Company shall announce the adjournment of the shareholders' meeting on the video conferencing platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1, Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month; if a shareholders meeting is held via video conferencing, shareholders who intend to attend via video conferencing shall re-register with the Company in accordance with Article 6.

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

Article 9: If a shareholders' meeting is convened by the Board of Directors, the meeting agenda

shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 10: Shareholders must first fill out the speech slip with the gist of the statement, shareholder account number (or attendance card number), and account name stated before speaking in the meeting; also, the Chairman is to prioritize the speakers.

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

Shareholder may not speak twice on the same proposal without the consent of the Chairman; also, each speaker may not speak for more than five minutes each time. The Chairman may have the speakers who have violated the provisions, or speaking beyond the scope of the proposal stopped.

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

If the institutional shareholder has appointed two or more natural persons to attend the meeting, only one of the natural persons can speak on the same proposal in the

meeting.

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

If a shareholders' meeting is held via video conferencing, shareholders attending via video conferencing may ask questions in text form on the video conferencing platform after the chairman declares the commencement of the meeting and before the chairman declares the adjournment of the meeting. The number of questions asked for each motion shall not exceed two, with each question limited to 200 words. The provisions of Paragraphs 1 to 5 shall not apply.

If the question mentioned in the preceding paragraph does not violate the regulations or does not exceed the scope of the motion, it is advisable to make the question public on the video conferencing platform.

Article 11: The voting held in the shareholders' meeting is based on the share count.

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

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as a proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

Except for the trust business or the stock affair agent authorized by securities competent authorities, when one person is commissioned by more than two shareholders, the voting rights by proxies may not exceed 3% voting rights of the total outstanding shares. When the voting rights by proxies exceed 3% voting rights of the total outstanding shares, the voting rights exceeding the threshold will not be included for calculation.

Article 12: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2, Article 179, of the Company Act.

When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by

correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or via video conferencing, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and the Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair 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.

The ballot scrutineers and tellers for the voting on the proposal are appointed by the Chairman; however, the ballot scrutineers must be the shareholders of the Company. 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.

When the Company convenes a shareholders' meeting via video conferencing, shareholders attending via video conferencing shall vote on the motions and the election on the video conferencing platform after the chairman announces the commencement of the meeting and before the chairman announces the close of voting. Failure to do so will be deemed abstention.

If a shareholders' meeting is held via video conferencing, the votes shall be counted at one time after the chairman announces the close of voting, and the voting and election results shall be announced thereafter.

When the Company holds a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting via video conferencing in accordance with Article 6 and intend to attend the shareholders' meeting in person shall cancel the registration in the same manner as the registration two days before the shareholders' meeting; those who fail to cancel the registration within the time limit may only attend the shareholders' meeting via video conferencing.

Those who exercise their voting rights in writing or electronically without revoking their intentions and attend the shareholders' meeting by video conferencing shall not exercise their voting rights on the original motion, propose amendments to the original motion, or exercise the voting rights for amendments to the original motion, except for extemporary motions.

Article 13: The election of the directors in the shareholders' meeting should be processed in accordance with the Company's "Procedures for Election of Directors" and with the election result declared in the meeting immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

The ballots of the electoral matters in the preceding paragraph shall be sealed and signed by the ballot scrutineers for safekeeping for at least one year; however, the

ballots may be reserved for a longer period of time until the end of the proceeding when a lawsuit is filed by shareholders in accordance with Article 189 of the Company Law.

Article 14: The minutes of meeting should be prepared for the proposals resolved in the shareholders' meeting; also, it should be signed or sealed by the Chairman and distributed to the shareholders within 20 days after the meeting date. The 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 voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

If a shareholders' meeting is held via video conferencing, the minutes of the shareholders' meeting shall record the start and end time of the shareholders' meeting, the method of convening the meeting, and the name of the chairman and the minute taker, as well as the methods and results of handling in the event of obstacles to the video conferencing platform or attendance via video conferencing caused by natural disasters, incidents or other force majeure circumstances, in addition to matters that shall be recorded in the preceding paragraph.

When the Company convenes a shareholders' meeting via video conferencing, it shall specify in the minutes of the meeting the alternatives provided for shareholders who have difficulty attending the meeting via video conferencing while complying with the provisions of the preceding paragraph.

Article 15: On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and the number of shares held by the attending shareholders in writing or electronically, and shall make an express disclosure of the same at the place of the shareholders' meeting. If a shareholders' meeting is held via video conferencing, the Company shall upload the aforesaid material to the video conferencing platform at least 30 minutes before the start of the shareholders' meeting and maintain its availability until the end of the

meeting.

When the Company announces the commencement of a shareholders' meeting via video conferencing, it shall disclose the total number of shares held by attending shareholders on the video conferencing platform. The same shall apply if the total number of shares and voting rights of the shareholders attending the meeting is counted during the meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taipei Exchange regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 16: Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or armbands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

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

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 18: If a shareholders' meeting is held via video conferencing, the Company shall immediately disclose the voting results of the motions and the election results on the

video conferencing platform in accordance with the regulations and maintain their availability for at least 15 years after the chairman announces the adjournment of the meeting.

Article 19: When the Company holds a shareholders' meeting via video conferencing, the chairman and the minute taker shall be at the same place in Taiwan, and the chairman shall announce the address of the place at the time of the meeting.

Article 20: If a shareholders' meeting is held via video conferencing, the Company may provide a simple connection test for shareholders before the meeting and also render related services immediately before and during the meeting to help shareholders solve telecommunication problems.

If a shareholders' meeting is held via video conferencing, the chairman shall, when announcing the commencement of the meeting, separately announce that, due to an obstacle to the video conferencing platform or attendance via video conferencing caused by natural disasters, incidents, or other force majeure events, which lasts for more than 30 minutes, before the chairman announces the adjournment of the meeting, the shareholders' meeting shall be postponed or reconvened within five days, except for the circumstances where there is no need for postponement or reconvention of the shareholders' meeting as stipulated in Paragraph 24, Article 44-24 of the Regulations Governing the Administration of Shareholder Services of Public Companies. Article 182 of the Company Act does not apply.

Where the inaugural shareholders' meeting is postponed or reconvened as mentioned in the preceding paragraph, shareholders who have not registered to attend the inaugural shareholders' meeting via video conferencing shall not attend the meeting that is postponed or reconvened.

When the shareholders' meeting shall be adjourned or reconvened in accordance with Paragraph 2, if shareholders who have registered to attend the inaugural shareholders' meeting via video conferencing and have completed the attendance registration fail to attend the meeting that is adjourned or reconvened, the number of shares held by them and their voting rights and election rights exercised at the inaugural shareholders' meeting shall be included in the total number of shares and voting rights and election rights of the shareholders attending the meeting that is adjourned or reconvened.

When a shareholders' meeting is postponed or reconvened in accordance with Paragraph 2, it is not necessary to once again discuss and resolve the motions whose

voting and counting of votes have been completed, with the voting results or the list of elected directors and supervisors announced.

When the Company holds a video-assisted shareholders' meeting and fails to proceed with the video conference as prescribed in Paragraph 2, the shareholders' meeting shall continue if the number of shares held by the attending shareholders, after deducting the number of shares held by the shareholders attending via video conferencing, reaches the statutory quota for the shareholders' meeting. There is no need to postpone or reconvene the shareholders' meeting in accordance with Paragraph 2.

If a shareholders' meeting shall continue in accordance with the preceding paragraph, the number of shares held by shareholders who attend the shareholders' meeting via video conferencing shall be included in the total number of shares held by attending shareholders; however, shareholders who attend the shareholders' meeting via video conferencing shall be deemed abstention in all resolutions of the shareholders' meeting.

When the Company postpones or reconvenes the shareholders' meeting in accordance with Paragraph 2, it shall make preparations based on the date of the inaugural shareholders' meeting and in accordance with Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

The Company shall base the period prescribed in the latter part of Article 12 and Paragraph 3, Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Paragraph 2, Article 44-5, Article 44-15, and Paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies on the date of the shareholders' meeting postponed or reconvened in accordance with Paragraph 2.

Article 21: When the Company convenes a shareholders' meeting via video conferencing, it shall provide appropriate alternatives for shareholders who have difficulty in attending the shareholders' meeting by video conferencing.

Article 22: The "Rules of Procedure for Shareholders' Meeting" was enacted on June 27, 2008. The 1st amendment was made on June 26, 2009. The 2nd amendment was made on June 10, 2013. The 3rd amendment was made on May 28, 2015. The 4th amendment was made on May 30, 2018. The 5th amendment was made on August 19, 2021. The 6th amendment was made on May 26, 2022.

[Appendix 2]

Tons Lightology Inc.
Articles of Incorporation(before Amendments)
(Translation)

Chapter 1 General Rules

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

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

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

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

Chapter 2 Shares

Article 4 : The capital stock of the Company is authorized for an amount of NT\$500,000,000 with 50,000,000 shares issued at NT\$10 par by installment in accordance with the resolutions of the Board.

An amount of NT\$50,000,000 is to be appropriated from the total capital stock stated in the preceding paragraph for issuing employee stock warrants with 5,000,000 shares issued by installment in accordance with the resolutions of the Board.

Article 5 : The Company's transfer investment is not subject to the investment limit of 40% of paid-in capital stated in Article 13 of the Company Law.

Article 5.1 : The Company may have endorsement and guarantee made externally in accordance with the Company's "Regulations Governing Making of Endorsements/Guarantees."

Article 6 : The Company's stock is registered and numbered and to be signed or sealed by more than three directors; also, it is to be issued after being certified by the competent authorities or the authorized issuance and registration institute.

The Company may have stock shares issued without any printout made; also, should contact Taiwan Depository & Clearing Corporation for registration. The Company has stock affairs handled in accordance with the relevant laws and regulations of the competent authorities.

Article 7 : The contents of the shareholder registry may not be modified within 60 days prior to the general shareholders' meeting, thirty days prior to the extraordinary shareholders' meeting, or five days prior to the base date for the distribution of dividend, bonus, or other interests announced by the Company.

Article 8 : Shareholders' meetings are classified as general shareholders' meeting and extraordinary shareholders' meeting. General shareholders' meeting is to be convened by the Board of Directors once a year within six months at the end of the fiscal year while extraordinary shareholders' meeting can be convened lawfully at anytime when it is necessary.

The Company may hold a shareholders' meeting using a visual communication network or other methods promulgated by the central competent authority.

Article 8.1 : The date of the meeting, place, and reasons for convening shareholders' meeting should be forwarded to each shareholder thirty days prior to the meeting date for general shareholders' meeting and fifteen days for extraordinary shareholders' meeting.

Chapter 3 Shareholders' Meeting

Article 9 : The Chairman is to preside the shareholders' meeting. If the Chairman is on leave or cannot perform duty for reasons, the Vice Chairman is to preside the meeting. If there is not a Vice Chairman appointed or the Vice Chairman

is also on leave or cannot perform duty for reasons, the Chairman is to appoint his/her representative to preside the meeting. If the Chairman failed to have his/her representative appointed, the representative is to be elected among the Board Directors.

Article 10 : Shareholders who cannot attend the shareholders' meeting for reasons may have had the representative attending the meeting instead by proxy in accordance with Article 177 of the Company Law.

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

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

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

Chapter 4 Directors and Managers

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

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

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

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

Article 15 : There must be at least three independent directors (not less than one fifth of the total number of directors) out of the number of directors referred to above. The professional qualifications of the independent directors, shareholdings, limitation of part-time job, the nomination and appointment

method, and other matters to be complied with must be processed according to the relevant provisions of the competent authorities.

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

The audit committee is composed of all independent directors.

Article 16 : The Chairman is elected among the directors with the attendance of two thirds of the directors and the consent of the majority of the attending directors. The Vice Chairman can be elected among the directors the same way as Chairman when it is necessary. The Chairman represents the Company to the public.

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

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

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

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

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

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

Chapter 5 Accountants

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

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

1. Business Report
2. Financial Statements
3. Statement of Earnings Distribution or Loss Subsidy

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

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

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

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

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

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

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

The industry that the Company engaged in is growing. In consideration of the current and future development plans, investment environment, capital

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

The Board of Directors of the Company may distribute all or partial of the distributable dividends or bonuses, additional paid-in capital or legal reserve in cash approach under resolution made by more than half of the attended Board members (under circumstances that more than two thirds of the total Board members attend), and such resolution shall be reported at the Annual Shareholders Meeting. The regulations of the preceding Paragraph shall not apply.

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

Chapter 6 Annex

Article 26 : The Company's charter and enforcement rules will be enacted separately.

Article 27 : The matters not addressed in the Articles of Association should be processed in accordance with the Company Law.

Article 28 : The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The Article of Association was enacted with the consent of the Founder's meeting conveners on August 14, 1992. The 1st amendment made on June 26, 2010. The 2nd amendment made on November 20, 2010. The 3rd amendment made on March 8, 2002. The 4th amendment made on November 25, 2002. The 5th amendment made on February 10, 2002. The 6th amendment made on March 7, 2006. The 7th amendment made on August 10, 2006. The 8th amendment made on October 12, 2006. The 9th amendment made on April 29, 2007. The 10th amendment made on May 10, 2007. The 11th amendment made on July 29, 2007. The 12th amendment made on October 8, 2007. The 13th amendment made on December 31, 2007. The 14th amendment made on June 26, 2009. The 15th amendment made on May 23, 2011. The 16th amendment made on June 20, 2012. The 17th amendment made on June 10, 2013. The 18th amendment made on May 28, 2015. The 19th amendment made on May 31, 2016. The

20th amendment made on May 26, 2017. The 21st amendment made on May 30, 2018. The 22nd amendment will be made on May 29, 2019. The 23rd amendment will be made on May 26, 2022.

[Appendix 3]

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

Article 1 Except as otherwise provided by law and regulation or by the Company's Articles of Incorporation, elections of directors shall be conducted in accordance with these Regulations.

Article 2 The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors. The composition of the Board of Directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Each Board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The Board of Directors of the Company shall consider adjusting its composition based on the results of performance evaluation.

Article 3 According to Article 192-1 of the Company Act, directors of the Company shall be nominated and selected from the list of candidates.

When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders' meeting. When the number of directors falls short by one third of the total number prescribed in the Articles of Incorporation, the Company shall call a special shareholders' meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Paragraph 1, Article 14-2 of the Securities and Exchange Act, a by-election shall be held at the next shareholders' meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders' meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

The qualifications and election of independent directors of the Company shall be in accordance with the Regulations Authority Appointment of Independent Directors and Compliance Matters for Public Companies and the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 4 The cumulative voting method shall be used for election of the directors at the Company. Each share has the number of exercisable votes same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate, or may be split for election of two or more candidates.

Article 5 The ballots shall be prepared by the board of directors and marked with the weights and distributed to shareholders present in order to hold the election in accordance with the quota of directors. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 6 Independent and non-independent directors of the Company shall be elected in accordance with the quota stipulated in Articles of Incorporation. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed an elected independent or non-independent director. If two or more persons obtain the same number of votes and the number of such persons exceeds the specified seats available, such persons obtaining the same votes shall draw lots to decide who should win the seats available, and the chairperson shall draw lots on behalf of the

candidate who is not present.

Article 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. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.

Article 8 A ballot shall be void upon any of the following conditions:

1. The ballot was not prepared by a person with the right to convene.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered on the ballot does not conform to the director candidate list.
5. There are other written characters or symbols in addition to the designated number of voting rights on the ballot.

Article 9 The ballot box shall be opened and the ballots shall be counted on spot immediately after the completion of voting, and the result of counting the ballots, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chairperson of the meeting.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 10 The Board of Directors of the Company shall issue notifications to the persons elected as directors.

Article 11 These Regulations were formulated on June 27, 2008. The first amendment was made on June 20, 2012. The second amendment was made on May 28, 2015. The third amendment was made on May 30, 2018. The 4th amendment was made on August 19, 2021.

[Appendix 4]

**Tons Lightology Inc.
Shareholding of Directors**

1. The Company's common stock shares issued : 39,495,553 shares

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

2. The number of shares held by all directors as of the stop-transfer date on March 27, 2023 is as follows;

Unit: Shares; %

Title	Name	Elected date	Elected shareholding		Current shareholding	
			Shares	Percentage of the outstanding shares (%)	Shares	Percentage of the outstanding shares (%)
Chairman	TANG, SHIH-CHUAN	05.28.2020	3,535,633	8.78	3,535,633	8.95
Director	HUNG, CHIA-CHENG	05.28.2020	1,085,381	2.70	1,107,881	2.81
Director	CHEN, MING-HSIN	05.28.2020	-	-	-	-
Director	HSIAO, CHEN-CHI	05.28.2020	25,250	0.06	25,250	0.06
Independent Director	HSU, CHUNG-YUAN	05.28.2020	-	-	-	-
Independent Director	CHOU, LIANG-CHENG	05.28.2020	-	-	-	-
Independent Director	LEE, SHYH-CHIN	05.28.2020	-	-	-	-
The number of shares and shareholding ratio held by all directors			4,646,264	11.54	4,668,764	11.82

[Appendix 5]

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

1. According to Article 172-1 of the Company Law, the Company is accepting the proposals of the shareholders for the general shareholders' meeting from March 17 to March 28, 2023.
2. There was not any proposal presented by the shareholders who had more than 1% shareholding of the Company's outstanding shares during the said period of time.