Articles of Association of China Bills Finance Corporation

Chapter 1 General Provisions

Article 1 The Company is organized as a company limited by shares in accordance with the provisions of the Company Act by the name of "China Bills Finance Corporation".

Article 2 The purpose of the establishment of the company is to assist the government in establishing a currency market, facilitate the dispatch of short-term capital of industrial and commercial enterprises, and promote the circulation of qualified bills and government bonds to meet the needs of economic development.

Article 3 The company is located in Taipei, Republic of China, and may set up branch offices depending on business needs.

Chapter 2 Business

Article 4 The Company engages in the following business activities:

1. H102011 Bills finance industry.
2. H301011 Securities dealers.

Article 4-1 The business scope of the Company's operations is as follows:

1. Certification and underwriting of short-term bills.
2. Certification and underwriting of financial bonds
3. Brokerage and proprietary of short-term bills
4. Brokerage and proprietary of financial bonds
5. Brokerage and proprietary of government bonds
6. Guarantees and endorsements for short-term bills
7. Financial consulting service for enterprises
8. Other related businesses approved by the competent authority.

Chapter 3 Shares

Article 5 The total capital of the Company is NT$16,787,000,000, which is divided 1,678,700,000 shares, with the value of NT$10 per share.

Article 6 All of the shares issued by the Company shall be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuancethereof.

Article 7 When the Company issues new shares, its shares may be printed for the total number of shares issued, or may not be printed for the total shares issued.

For the new shares to be issued pursuant to the provisions of the preceding paragraph, the custody of the consolidated printed stocks or the stock registration of the exempted stocks shall be handled through the central securities depository institution.

Article 8 Shareholders shall fill out the seal card and submit it to the Company for deposit. When shareholders collect dividends and the execute equity in writing, the seal is used as evidence.

Article 9 Unless otherwise provided for under laws or securities regulations, all share handling matters such as the transfer of shares or any pledge, loss, succession, donation, as well as the loss or change of seals or addresses shall be handled in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies,” except for laws or regulations governing securities regulate otherwise.

Article 10 The transfer of stocks shall be suspended within 60 days prior to the convening date of an Annual General Shareholders’ Meeting, or within 30 days prior to the convening date of an Extraordinary General Shareholders’ Meeting, or within 5 days prior to the base date fixed by the Company for distribution of dividends other benefits.

Chapter 4 Shareholders’ meeting

Article 11 There are two types of General Shareholders’ Meeting: Annual and Extraordinary. They shall be convened by the board of directors in accordance with the law unless otherwise provided for

in the Company Act. The regular meetings are convened at least once a year, and are held within six months after the end of each fiscal year, and the shareholders are notified 30 days in advance. For Extraordinary General Shareholder's Meeting, shareholders will be convened in accordance with the law when necessary and will notify shareholders 15 days in advance. However, for shareholders holding less than one thousand registered shares, the notice of the shareholders' meeting of these shareholders may be publicly announced.

Article 11-1 The shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

In case a shareholders' meeting is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 12 Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, shall be adopted by a majority vote of the shareholders present, who represent the majority of the total number of voting shares.

Article 13 Any shareholder may issue a power of attorney prepared by the Company and specify the range of authority to be conferred to delegate a proxy to attend a shareholder meeting on his or her behalf. With the exception of a trust enterprise or an agent for stock affairs approved by the competent authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy must not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

A shareholder shall issue a power of attorney and only one proxy may be appointed. It shall be delivered to the Company five days before the shareholders' meeting. When there is more than one power of attorney delivered, the first one delivered shall prevail unless it has been revoked.

After the power of attorney of a proxy is delivered to the Company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by electronic transmission, a proxy rescission notice shall be delivered to the Company two days in writing prior to the date of the shareholders' meeting. The voting power exercised by the authorized proxy at the meeting shall prevail should such rescission fails to be delivered in time.

Method of attendance by proxy, besides abiding by the conditions stated in Company Act, shall also follow the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" from the competent authority.

Article 13-1 When the Company convenes a shareholders' meeting, it may adopt the right to vote in writing or electronically. When voting rights are exercised in writing or by electronic transmission, the method of exercise shall be specified in the shareholders' meeting notice.

A shareholder exercising voting rights specified in the preceding paragraph through correspondence or electronic means are deemed to have attended the meeting in person. However, they are deemed to have waived his/her rights with respect to the extempore motions and amendments to original proposals of that meeting;

Article 13-2 A shareholder intending to exercise voting rights by correspondence or through electronic means specified the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders' meeting. When more than one declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to rescind the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event that shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after the designated time frame, the voting rights already exercised by correspondence or electronic means shall prevail.

Article 14 Except as otherwise provided in the Company Act or other laws, shareholders have one voting rights per share.

Article 15 When shareholders' meeting is convened, the Chairman of the Board is the chair of the meeting. In case the Chairman of the Board is on leave, absent, or cannot exercise his/her power and authority

for any cause, the Vice Chairman shall act on his/her behalf. In case there is no Vice Chairman, or that the Vice Chairman is also on leave or absent or unable to exercise his power and authority for any cause, the Chairman of the Board shall designate one of the directors to act on his/her behalf. In the absence of such a designation, the directors shall elect one from among themselves as an acting chairman. If a shareholders' meeting is convened by a party with 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 select a chair from among themselves.

Article 16 The duties and powers of shareholders' meetings are as follows:

1. To determine and amend the Articles of Association of the Company.
2. Elect directors.
3. Recognize the financial report proposed by the Board of Directors and make resolutions on whether to allocate surplus or compensate deficit.
4. Resolutions of increases or decreases in capital.
5. Other important issues and resolutions of matters stipulated in the Company Act.

Article 17 Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting with a copy distributed to each shareholder within 20 days after the conclusion of the meeting.

The production and distribution of the meeting minutes referred to in preceding paragraph may be done in an electronic form.

Public companies may distribute the meeting minutes mentioned in the first paragraph by means of a public announcement.

The minutes of the meeting shall record the year, month, day, place, name of the chairman, method of resolution, the essentials and the results of the meeting, and shall be kept forever.

The attendance book of the shareholders and the power of attorney attending the shareholders must be kept for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the documents shall be retained until the conclusion of the litigation.

Chapter 5 Board of Directors

Article 18 The Company shall have nine to eleven directors, adopting the nomination system for candidates, which shall be elected by the shareholders' meeting for the list of director candidates announced by the Company. The term of office is three years and the directors can be reelected. In compliance with Articles 14-2 and 14-4 of the Securities Exchange Act, starting from the 12th Board of Directors, the number of independent directors should be no less than three and no less than one-fifth of the total number of directors. Independent directors are elected in accordance with the provisions of Article 18-1 of this Articles of Association.

The board of directors of the Company is organized by all directors.

When the shareholders' meeting elects a director, each share has the same voting rights as the number of directors to be elected, and the voting rights can be consolidated to one candidate, they or may be allocated a number of candidates. Whichever candidate receives more voting rights is elected as a director.

The Company shall buy liability insurance for its directors which covers the responsibility they bear in the scope of business during their term of office.

Article 18-1 The Company's independent directors shall be elected by the shareholders' meeting on the List of candidates for independent directors.

The list of candidates for the independent directors of the company may be submitted in the following manner. After the board of directors assesses that they meet the conditions for independent directors, they shall be sent to the shareholders meeting for election:

I. Shareholders holding shares of more than 1% of the total number of issued shares can submit a written list of candidates for independent directors to the Company in writing. The number of nominees must not exceed the number of seats allocated to independent directors in the board of directors.

II. The list of candidates for independent directors shall be submitted by the board of directors. The number of nominees must not exceed the number of seats allocated to independent directors in the board of directors.

III. Other methods prescribed by the competent authority.

Independent directors and non-independent directors should be elected together and the number of elected seats is calculated separately; at least one of the elected independent directors should have accounting or financial expertise.

Article 18-2 For the remuneration of the directors of the Company shall, in addition to the remuneration distributed in accordance with the provisions of Article 32, the board of directors is authorized to agree on the extent of the director's participation in the Company's operations and the value of his contribution, and refers to the circumstances of the financial industry peers.

Article 19 The total number of shares held by all directors of the company shall be handled in accordance with the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" promulgated by the competent authority of securities.

Article 20 The board meeting shall be attended by at least two-thirds of all directors and resolved by more than half of the directors. The directors shall elect a Chairman from among themselves. A Vice Chairperson may be elected in the same manner when necessary.

Article 21 The Chairman of the Board of Directors represents the company externally, and is the chair of shareholders' meeting and the chair of the board of directors internally. When the Chairman of the Board of Directors takes leave or is not able to exercise his/her powers for any reason, the Chairman will be represented by the Vice Chairman of the Board. When there is no Vice Chairman, or the Chairman and the Vice Chairman are simultaneously on leave or unable to exercise their powers for any reason, one of the directors appointed by the Chairman of the Board of Directors shall be the acting chair. If no director is designated, the directors shall elect one among them to be the acting chair.

Article 22 The board of directors meeting shall be convened at least once every three months and the director shall be notified of the agenda seven days before the meeting. However, in the event of an emergency, they may be called at any time.

The notification of the preceding paragraph may be made electronically.

Article 23 When the board of directors meets, if the directors cannot attend in person, they may entrust other directors to act as proxy. However, a power of attorney should be submitted and list the scope of authorization.

A director may accept the appointment to act as the proxy referred to in the preceding paragraph of one other director only.

Article 24 Except as otherwise provided in the Company Act and this Article of Association, a board of directors shall have a majority of the directors or their proxies present before a meeting may be held.

Its resolution was made with the consent of more than half of the directors or their proxies.

Article 25 The board of director's responsibilities are as follows:

1. Deciding on operation policy.
2. Auditing budget
3. Compiling financial statements and submitting to the shareholders' meeting.
4. Proposing amendments to the Articles of Association.
5. Executing resolutions of the shareholders' meeting.
6. Reviewing and approving important contracts.
7. Reviewing and approving the Articles of Association.
8. Proposing cases of profit distribution or deficit compensation.
9. Proposing cases of capital increase or reduction.
10. Resolutions concerning establishing and closing branch offices
11. Appointment and dismissal of important staff.
12. The authority to implement the laws or resolution of the shareholders' meeting.

Article 25-1 The Company has established an Audit Committee. This Committee is comprised of independent directors, and shall consist of no fewer than three persons; one of the members acts as the convener, and at least one of them is required to have accounting or financial expertise. The exercise of duties and other matters that shall be reviewed by the Audit Committee shall be arranged in accordance with relevant laws and regulations.

The board of directors of the Company has established a variety of functional committees for improving decision-making functions and strengthening management mechanisms. The numbers, terms of office, and powers and other matters of the said functional committees should be

stipulated in the organizational rules of the committees and be resolved by the board of directors.

Chapter 6 The Board of Supervisors (Deleted)

Article 26 (Deleted)

Article 27 (Deleted)

Article 28 (Deleted)

Chapter 7 Managers

Article 29 The Company has a President who upholds the business principles decided by the board of directors and provides comprehensive management of the Company's business.

The Company may designate Vice Presidents and several managers at various levels depending on the business needs and assist the President in handling the Company's business. A Chief Auditor was established to uphold the resolutions of the board of directors and comprehensively manage the auditing of the Company.

Article 30 The President, Vice Presidents, and Chief Auditor shall be submitted to the board of directors for approval by the Chairman.

Except for the provisions of the preceding paragraph, all levels of managers, if they are managers set up pursuant to Article 29 of the Company Act, are recommended by the President to the Chairman and ask the board to agree on their appointment or dismissal.

Chapter 8 Accounting

Article 31 The fiscal year of the Company starts from January 1 and ends on December 31 of each year. After the end of each fiscal year, the board of directors produces a list of the following items, which, after deliberation by the board of directors, is submitted to the shareholders' meeting for approval in accordance with legal procedures.

1. Business report.
2. Financial statements.
3. Property directory of the Company’s main property.
4. Proposals of profit distribution or deficit compensation.

Article 32 If the Company makes a profit in a year, it shall follow the following principles to provide remuneration for employees and directors, which shall be paid by the board of directors with the consent of more than two-thirds of the directors present and the majority of the directors present. However, when the company still has accumulated losses, it should reserve the amount of compensation in advance. If there is any remaining profit, it can then remunerate the employees and directors following the aforementioned principles of this Article:

1. Employee compensation: 1.00% to 2.50% of the profit. shall be allocated, of which no less than 15% shall be distributed to grassroots-level employees.2. The director's compensation: the maximum amount is 2.50% of the profit. However, independent directors do not participate in the distribution of compensation.

The term “profit” as mentioned in the preceding paragraph refers to “pre-tax profits deducting the profits before remuneration is distributed to employees and directors.”

Employee compensation can be paid in the forms of stock or cash, and directors' compensation can only be paid in cash. Distribution and its methods of employees’ and directors’ remuneration shall be reported to the shareholders’ meeting after the board of directors has resolved pursuant to Paragraph 1 of this article.

Article 32-1 After the company's annual final accounting surplus meets all the tax revenues and makes up for the accumulated losses, if there is any surplus, it shall provide a statutory surplus reserve of 30%. However, if the statutory surplus reserve has reached the amount of paid-in capital of the company, this limit shall not apply. After appropriation of special reserve according to law, if there is a special surplus reserve set aside for the net amount of other equity deductions accumulated in the previous period, the special surplus reserve of the same amount shall be set aside from the undistributed surplus in the previous period. When there is a shortage, the amount of items other than the current after-tax net profit is added to the current undistributed surplus, and adding reversed special reserve and accumulative retained earnings, the Company may appropriate additional special reserve for specific purposes. If there is any surplus, dividends may be distributed to the shareholders.

The distribution of the preceding surplus shall be submitted by the Board of Directors to the shareholders' meeting.

The distribution of the dividends of shareholders referred to in the first paragraph of this Article shall be distributed after being resolved by the shareholders' meeting in accordance with the following principles:

I. The Company shall not distribute dividends to shareholders when the Company has no surpluses, in addition to all or part of the public reserve.

II. As the Company is in the fiercely competitive financial industry, it has reached a period of slow growth of the industry. Therefore, the distribution of dividends of shareholders is prioritized at no less than 20% of the remaining balance of the surplus as calculated in the first paragraph, and to be paid in the form of cash, or by stock dividends, but the number of cash dividends shall not be less than 40% of the total dividends of the current year.

III. The Company may adjust the aforementioned principle of dividend distribution of shareholders after the resolution of the shareholders' meeting of the year as necessary, depending on factors such as economic conditions, industrial development, and funding requirements.

Chapter 9 Supplementary Provisions

Article 33 The Company's Organizational Procedures have been established separately.

Article 34 For matters not covered in this Article of Association, they are to be mandated by the Company Act, The Banking Act of The Republic of China, the Act Governing Bills Finance Business, and other related regulations.

Article 35 The Articles of Association shall be implemented by the shareholders' meeting in accordance with the law and submitted for approval by the competent authority.

Article 36 This Articles of Association was established on September 12, 1978. The first amendment was made on June 10, 1980. The second amendment was made on January 15, 1981. The third amendment was made on March 16, 1981. The fourth amendment was made on May 12, 1981. The fifth amendment was made on March 23, 1982. The sixth amendment was made on March 23, 1983. The seventh amendment was made on March 20, 1984. The eighth amendment was made on April 12, 1988. The ninth amendment was made on April 11, 1989. The tenth amendment was made on July 18, 1989. The eleventh amendment was made on June 16, 1990. The twelfth amendment was made on March 30, 1991. The thirteenth amendment was made on March 28, 1992. The fourteenth amendment was made on April 28, 1992. The fifteenth amendment was made on April 28, 1993. The sixteenth amendment was made on April 23, 1994. The seventeenth amendment was on April 17, 1994. The eighteenth amendment was made on April 30, 1996. The nineteen amendments made on May 28, 1997. The twentieth amendment was made on April 29, 1998. The twenty-first amendment was made on May 20, 1999. The twenty-second amendment was made on May 18, 2000. The twenty-third amendment was made on May 22, 2001. The twenty-fourth revision was made on May 24, 2002. The twenty-fifth revision was made on June 6, 2003. The twenty-six revision was made on June 9, 2006. The twenty-seventh amendment was made on June 15, 2007. The twenty-eighth revision was made on June 13, 2008. The twenty-ninth amendment was made on June 15, 2012. The thirtieth revision was made on June 2, 2015. The thirty-first revision was made on June 2, 2016. The thirty-second amendment was made on June 8, 2018. The thirty-third amendment was made on June 17, 2022. The thirty-fourth amendment was made on June 14, 2024. The thirty-five amendment was made on June 13, 2025.