

King's Town Bank Articles of Incorporation

Chapter I General Provisions

- Article 1: The Company is incorporated in accordance with the provisions of the "Limited Company" of the Company Act and the Banking Act and named "King's Town Bank Co., Ltd." hereinafter referred to as "King's Town").
- Article 2: The Company aims to support the government's financial internationalization and liberalization policies, provide financial services to society, accelerate economic construction and help SMEs develop businesses.
- Article 3: The headquarters of the Company is set up in Tainan City and branch offices set up at appropriate places in Taiwan and abroad as approved by the competent authorities. The establishment, cancellation, or change in the branch offices shall be submitted to the competent authority for approval and registered with the Ministry of Economic Affairs in accordance with the resolution of the Board of Directors.
- Article 4: The announcement of the Company shall be handled in accordance with Article 28 of the Company Act.

Chapter II Shares

- Article 5: The total capital of the Company is NT\$18 billion, divided into 1.8 billion shares with a par value of NT\$10 for each share. The Board of Directors is authorized to issue stock shares by installments. A total of 300 million shares may be reserved for the Company's issuing of 100 million shares of stock warrants and financial bonds with attached warrants, or, 200 million shares of convertible bonds that are to be subscribed to or converted.
- Article 5-1: When the subscription price of the stock warrant issued by the Company is lower than the closing price of the Company's common stock on the issuing date, a resolution may be adopted by two-thirds of the voting rights exercised by the shareholders present at the shareholders' meeting who represent a majority of the outstanding shares of the Company.
To transfer shares to employees at less than the average actual share repurchase price, the Company shall obtain the consent of at least two-thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing a majority of total issued shares. The provisions of Article 10-1 of the "Regulations Governing Share Repurchase by TWSE-Listed and TPEX-Listed Companies" shall be stated in the notice of reasons for that shareholders' meeting in advance.
- Article 6: The Company's shares are registered share certificates and are signed or affixed with seals by the directors representing the Company, and issued after being certified by the competent authority or its authorized issuance agency.
The Company is exempted from printing physical certificates for the shares issued; when issuing new shares, the certificates for the total number of shares issued may be printed collectively, and such shares shall be registered with or kept in custody by a centralized securities depository institution.
- Article 7: (Deleted)

Article 8: The Company handles stock affairs in accordance with the “Regulations Governing the Administration of Shareholder Services of Public Companies” published by the competent authorities and other relevant laws and regulations.

Chapter III Business Operation

Article 9: The Company’s business code is as follows:
H101021 Commercial banking; H601011 Personal insurance agents; H601021 Property insurance agents (limited to the business items approved by the competent authority)

Article 10: The Company’s business operation is as follows:

- I. Accept check deposits.
- II. Accept other deposits.
- III. Issue financial bonds.
- IV. Provide short-term, mid-term, and long-term loans.
- V. Engage in the note discount business.
- VI. Invest in marketable securities other than the business stock.
- VII. Handle domestic and foreign remittance.
- VIII. Accept commercial drafts.
- IX. Issue domestic and foreign letters of credit.
- X. Handle domestic and foreign guarantee business.
- XI. Act as a collecting and payment agent.
- XII. Handle warehousing, custody, and agency services related to the aforementioned businesses.
- XIII. Handle life insurance agency business.
- XIV. Handle property insurance agency business.
- XV. Other relevant businesses approved by the government.

Article 11: The Company may operate trust and securities businesses in accordance with the law.

Chapter IV Shareholders’ Meeting

Article 12: Shareholders’ meetings include both regular shareholders’ meetings and special shareholders’ meetings. Regular shareholders’ meetings are to be held at least once a year and convened by the board of directors within 6 months after the end of the fiscal year. Special shareholders’ meetings are to be held when necessary in accordance with the law. When the Company holds a shareholders’ meeting, the meeting may be held by means of visual communication network, or other methods announced by the central competent authorities. The shareholders’ meetings shall be held in accordance with the Rules of Procedure for Shareholders’ Meetings.

Article 13: Notice shall be sent to the shareholders at least 30 days prior to a regular shareholders’ meeting, and 15 days prior to a special shareholders’ meeting, stating the date, venue, and reasons for convening the meetings.
Election or dismissal of directors, amendments to the Articles of Incorporation, capital reduction, application for suspension of public offerings, directors’ competition permission, capitalization from earnings, capitalization from additional paid-in capital, the dissolution, merger, or demerger of the corporation, or any matter under all items in Paragraph 1, Article 185 of the Company Act, Article 43-

6 of the Securities and Exchange Act, or Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, and Article 10-1 of the Regulations Governing Share Repurchase by TWSE-Listed and TPEX-Listed Companies shall be set out and detailed in the notice of the reasons for convening the shareholders' meetings. None of the above matters may be raised by an extraordinary motion.

Article 14: In the event where a shareholder is unable to attend the shareholders' meeting for any reason, a shareholder may appoint a proxy to attend the meeting by providing a signed or sealed proxy form issued by the Company, stating the scope of the proxy's authorization in accordance with Article 177 of the Company Act. For each shareholders' meeting, a shareholder may appoint only one proxy with only one proxy form. The proxy form shall be delivered to the Company 5 days prior to the shareholders' meeting. If duplicate proxy forms are delivered, the one received earliest shall prevail, unless a declaration is made to cancel the previous proxy issued, which shall be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."

Article 15: The shareholders' meeting shall be chaired by the Chairman. When the Chairman is absent, the Vice Chairman shall act on his/her behalf. If the Vice Chairman is also absent, the Chairman shall appoint one of the Directors to chair the shareholders' meeting. Where the Chairman does not make such a designation, the Directors shall select from among themselves one person to serve as the chair. If a shareholders' meeting is convened by a party with power to convene 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 chairman from among themselves.

Article 16: The matters which shall be resolved by a shareholders' meeting and implemented accordingly are as follows:

- I. Establishment and amendment of the Company's Articles of Incorporation.
- II. Election or dismissal of Directors.
- III. Examination of the financial reports prepared by the Board and the Audit Committee's reports. In order to conduct the examination, the shareholders' meeting may select and appoint reviewers as required.
- IV. Resolutions regarding capital increase or reduction.
- V. Resolutions regarding distribution of earnings or offsetting of losses.
- VI. Other matters to be resolved by shareholders' meetings according to the Company Act.

Article 17: Unless otherwise provided by the Company Act, resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

In the event that the total number of shares represented by the shareholders present at a shareholders' meeting is less than the percentage of the total shareholdings required in the preceding Paragraph, a tentative resolution may be adopted by a majority vote of the shareholders present, who represent more than one-third of the total number of voting shares. The tentative resolution shall be notified to all shareholders and another shareholders' meeting shall be convened within one month thereafter.

The tentative resolution adopted in the aforementioned shareholders' meeting by a

majority vote of the shareholders present, who represent more than one-third of the total number of voting shares should be deemed as the resolution of the shareholders' meeting.

Article 18: A shareholder is entitled to one voting right per share.

Article 19: The minutes of the shareholders' meeting shall record the date and venue of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the proceedings and the resolutions of the meeting. The meeting minutes shall be affixed with the signature or seal of the chairman of the meeting. The meeting minutes shall be kept permanently by the Company. The attendance list bearing the signatures of shareholders present at the meeting (attendance registry) and the proxy forms shall be kept for a period defined in the Company Act, and the meeting minutes shall be distributed to all shareholders of the Company within 20 days after the end of the meeting.

The preparation and distribution of the minutes of shareholders' meetings mentioned in the preceding Paragraph should be conducted in accordance with the provisions of the Company Act.

Chapter V Directors and Board of Directors

Article 20: The Company has seven to eleven directors appointed to organize the board of directors, and the directors are elected among the competent individuals in the shareholders' meetings for a 3-year term and are eligible for re-election. However, if re-election cannot be arranged before the expiration of the current term, the office term will be extended until the new directors take office. The total number of the Company's registered shares held by all directors shall not be less than a certain percentage of the total issued shares required by the competent authority. Also, the number of directors that should have the qualifications of financial professionals shall not be less than the percentage stipulated by the competent authorities.

The Company may purchase liability insurance for Directors to protect them against potential liabilities arising from exercising their duties during their tenure.

Article 20-1: Starting the twelfth term of office, among the seats of directors as stated in the preceding paragraph, the seats of independent directors shall be no less than three people or one-fifth of the seats of directors.

The nomination system shall be adopted for the election of directors and independent directors. Independent directors and non-independent directors shall be elected concurrently and the number of elected seats should be calculated separately. The nomination and election of directors and independent directors and other matters to be complied with shall be handled in accordance with the relevant regulations of the competent authorities.

Article 21: The Chairman and Vice Chairman are elected from among the Directors. The Chairman shall internally preside the shareholders' meeting, the meeting of the Board of Directors, and externally represents the Company.

Article 21-1: (Deleted)

Article 22: The powers of the board of directors are as follows:

- I. Review the Articles of Incorporation.
- II. Make business decisions.
- III. Review budget and final account of the Company.
- IV. Formulate the earnings distribution or loss compensation plan.

- V. Propose capital increase or reduction.
- VI. Propose the issuance of new shares.
- VII. Command and supervise business operation.
- VIII. Resolve matters regarding corporate bonds.
- IX. Resolve matters regarding the Company's share repurchase plan.
- X. Review the acquisition or disposal of important assets.
- XI. Review and approve various important contracts.
- XII. Determine the appointment and dismissal of managers and auditors.
- XIII. Review the construction, acquisition, or disposal of the Company's business bases and properties.
- XIV. Determine the dates and agenda of the regular shareholders' meetings or the special shareholders' meetings.
- XV. Implement the resolutions of the shareholders' meetings.
- XVI. Determine the appointment, dismissal, and compensation of the CPAs.
- XVII. Set up audit committee and other functional committees.
- XVIII. Exercise other duties and obligations as granted by laws and regulations and by the shareholders' meetings.

Article 23: The board meeting should be held at least once every quarter. In the event of an emergency or a request from the majority of the directors, a special meeting may be held. Except for the first board meeting of each office term, which is to be convened by the director who receives the highest voting rights, a shareholders meeting should be convened and chaired by the Chairman. When the Chairman is absent, the Vice Chairman shall act on his/her behalf. If the Vice Chairman is also absent, the Chairman shall appoint one of the Directors to chair the shareholders' meeting. Where the Chairman does not make such a designation, the Directors shall select from among themselves one person to serve as the chair.

The reasons for convening a shareholders' meeting in the preceding paragraph shall be specified in the meeting notice. The notice should be transmitted in methods including correspondence or electronic transmission, by which the Directors are able to receive the notice on fax machines or other electronic devices.

If a board meeting is held via video conferencing, the directors who participate in the meeting by such means are deemed as present in person.

Article 24: Unless otherwise provided in other laws and regulations, resolutions of the board meetings shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. The directors shall attend the meetings in person but may appoint another director to act on behalf of the absent director in attending the board meeting. The meeting minutes shall be signed or sealed by the Chairman and the minute taker and kept in the Company. A copy of the minutes shall be distributed to each director within 20 days after the meeting.

Article 25: In case that the vacancies in the office of directors reach one-third of the Board, the Board of Directors shall convene a special meeting of the shareholders within 60 days to elect new directors to fill the vacancies, and hold office for the unexpired term of the director whose office was vacant.

Article 25-1: The remuneration of directors shall be determined by the board of directors with reference to the standards of the relevant industry and the listed companies.

Chapter VI Audit Committee

- Article 26: The Company has established an Audit Committee consisting of all independent directors, one of whom is the convener and at least one of whom has accounting or financial expertise. The Audit Committee shall exercise its powers and functions and other matters to be complied with in accordance with the provisions of relevant laws and regulations or the Company's bylaws, except as provided in these Articles of Incorporation.
- Article 27: (Deleted)
- Article 28: (Deleted)
- Article 29: (Deleted)

Chapter VII Managerial Personnel

- Article 30: Article 30: The Company has one President appointed to manage the business operation according to the instructions of the Board of Directors. The Company may appoint several Vice Presidents and senior managers to assist the President in handling the Company's business operations. Their appointment and dismissal are nominated by the Chairman and with the consent of the majority of directors. The Company has a chief auditor to handle auditing business in accordance with the resolutions of the board of directors and the instructions of the chairman. The appointment, dismissal, or transfer of the chief auditor shall be nominated by the Chairman and approved by more than two-thirds of all Directors, and then reported to the competent authorities for approval. The appointment, dismissal, transfer, reward, penalty, and performance evaluation of internal auditors shall be reported by the chief auditor to the Chairman for approval in advance. The appointment and dismissal of the managers of each department, division, and branch of the Company shall be reported by the President to the Chairman for review and then to be approved by the majority of the board of directors.

Chapter VIII Accounting

- Article 31: The Company's business is settled once a year with the clearing date scheduled on December 31. The annual final accounts should be prepared based on the settlement figures at the end of the year.
- Article 32: The Company's Board of Directors shall, after the annual settlement, prepare the following books and statements that should be audited according to the mandatory procedures and then submitted in the regular shareholders' meeting for acceptance, and examined by the competent authorities for publication.
- I. Business report.
 - II. Financial Statements.
 - III. Proposal for distribution of earnings or offsetting of losses.
- Article 33: If the Company has earnings for the year, no less than 0.01% of the earnings should be appropriated to pay employees' remuneration and no more than 2% of the earnings should be appropriated as remuneration to directors. However, when the company still has accumulated losses, an amount equivalent to the loss should be reserved for making up the loss. The employees with stock or cash received as remuneration as stated in the preceding paragraph include employees of subsidiary companies that meet certain conditions.

Article 33-1: If there is a surplus in the Company's annual final accounts after all taxes have been paid, it should make up for the losses of previous years, and then appropriate 30% as legal reserve; also, after having the special reserve appropriated according to law, for the balance amount, if any, thereafter, along with the retained earnings, the board of directors shall propose a distribution plan to the shareholders meeting for approval. For the distribution of dividends, the cash dividends must not be less than 10% of the total dividends of the current year. The aforementioned dividends distribution principles regarding the cash dividend ratio may be adjusted depending on the Company's business operation requirements and major legal amendments. However, the cash dividend ratio must not be less than 1% of the total dividend. If the distribution of cash dividends per share is for less than NT\$0.1, no dividends will be distributed.

If the Company's accumulated legal reserve equals or exceeds the Company's paid-in capital, or when it meets the sound financial standard set by the competent authority under Article 50, Paragraph 2 of the Banking Act, and the legal reserve is provided in accordance with the Company Act, the legal reserve restrictions on deposits and maximum cash surplus distribution shall not apply.

Before the accumulated legal reserve reaches or exceeds the Company's paid-in capital or the ratio of equity fund to risk assets meets the requirements of the Banking Act, the maximum cash dividends distribution shall be handled in accordance with the Banking Act and the requirements of the competent authority.

Chapter IX Supplemental Provisions

Article 34: The Company's charter and enforcement rules shall be formulated separately.

Article 35: Matters not specified in the Articles of Incorporation shall be handled in accordance with the provisions of the Company Act, the Banking Act, and other relevant laws and regulations.

Article 36: If the Company or responsible person has its reputation damaged by rumors or fraud, it shall promptly report to the prosecution unit in accordance with the relevant laws and regulations in order to have the problem resolved as soon as possible.

Article 37: The Articles of Incorporation were enacted on November 26, 1977, and amended in accordance with the 16th amendment to the Articles of Incorporation of Tainan Mutual Loan and Savings Co., Ltd.

The 1st amendment was made on March 5, 1978.

The 2nd amendment was made on March 17, 1979.

The 3rd amendment was made on March 15, 1980.

The 4th amendment was made on March 14, 1981.

The 5th amendment was made on February 25, 1982.

The 6th amendment was made on March 7, 1983.

The 7th amendment was made on December 15, 1983.

The 8th amendment was made on April 22, 1984.

The 9th amendment was made on March 25, 1985.

The 10th amendment was made on March 28, 1986.

The 11th amendment was made on March 27, 1987.

The 12th amendment was made on March 30, 1988.

The 13th amendment was made on March 10, 1989.

The 14th amendment was made on March 27, 1990.

The 15th amendment was made on March 26, 1991.
The 16th amendment was made on March 25, 1992.
The 17th amendment was made on March 26, 1993.
The 18th amendment was made on March 23, 1994.
The 19th amendment was made on March 27, 1995.
The 20th amendment was made on March 21, 1996.
The 21st amendment was made on March 25, 1997.
The 22nd amendment was made on March 26, 1998.
The 23rd amendment was made on April 27, 2000.
The 24th amendment was made on June 4, 2002.
The 25th amendment was made on May 27, 2003.
The 26th amendment was made on June 23, 2005.
The 27th amendment was made on November 29, 2005.
The 28th amendment was made on June 15, 2007.
The 29th amendment was made on June 13, 2008.
The 30th amendment was made on June 19, 2009.
The 31st amendment was made on June 4, 2010.
The 32nd amendment was made on June 9, 2011.
The 33rd amendment was made on June 15, 2012.
The 34th amendment was made on June 24, 2013.
The 35th amendment was made on June 20, 2014.
The 36th amendment was made on May 18, 2016.
The 37th amendment was made on May 17, 2017.
The 38th amendment was made on May 17, 2018.
The 39th amendment was made on May 12, 2020.
The 40th amendment was made on May 9, 2022.
The 41st amendment was made on May 23, 2023.