Dividend Policy

To taking into account the future funding needs and long-term financial planning of the Company, and to meet the cash inflow demand of the shareholders, if net profit is available at the end of a fiscal year, in addition to making up for losses, 10% of net profit shall be set aside as legal earnings reserve and the special surplus reserve shall be withdrawn in respect of the decrease in the other shareholders' equity of the fiscal year, and the 40%-80% of the total of the balance and the overdue earnings of the previous year and the adjusted amount of earnings which is not allocated for the current year shall be allocated. If the distributed amount of dividends per share calculated at the rate of 80% is still less than NT$ 0.1, it shall be retained and not distributed, and then the board of directors shall proposed an allocation motion for the shareholders to recognize.

The above ratio of the earnings distribution and the cash ratio of the shares shall be decided by the board of directors based on the actual profit and financial situation of the current year, and the investment capital needs and the dilution degree of earning per share shall be considered as well, which will be paid appropriately in cash dividend or stock dividends. However, the allotment of dividends of the Shares shall not be more than 20% of the issued share capital.

When the Company assigns the distributable earnings, except for the calculation provided in paragraph 2, if the retention of earnings transferred in or the earnings after tax in the current year which is not enough to be listed in the amount of the deduction from other shareholders' equity, the earnings shall still be allotted after the retention of earnings or the overdue earnings for the previous year has been withdrawn or re-withdrawn as special capital reserve based on the provisions of the acts.