

Rules for the Election of Directors, Tah Tong Textile Co., Ltd.

(July 2021)

- I. The Company's directors shall be elected in accordance with the Rules, unless otherwise governed by any applicable act or the Articles of Incorporation.
- II. The candidate nomination system required under Article 192-1 of the Company Act shall be adopted for the election of the Company's directors (including independent directors) in accordance with the Company Act, the Securities and Exchange Act and other relevant acts. The cumulative voting system shall be adopted for the election of the Company's directors.
- III. At the time of election, each share bears the same voting right as the number of directors to be elected. One director only or a number of directors allocated may be elected.
- IV. The names of the voters are represented by the attendance card numbers printed on the ballots.

Subject to the number of directors assigned in the Articles of Incorporation, the voting rights shall be calculated for independent directors and non-independent directors, respectively. Candidates with votes representing more voting rights will be elected as directors. If two or more candidates get votes representing equal voting rights to the extent of exceeding the number of directors assigned, such candidates shall draw lots to decide who will be included in the board of directors. The chairman will draw lots on behalf of any such tying candidate that is not present.

- V. The Company's directors shall be elected, taking into account the overall composition of the board of directors. Members of the Board of Directors shall possess the necessary expertise, skills, and qualities to fulfill their duties.

Directors shall be able to represent a majority and shall not have spouses or relatives within the second degree.

- VI. If the number of elected directors assigned is not met after any directors are removed for any reason, the company shall hold a by-election at the next shareholders' meeting. However, if one-third of the number of elected directors assigned in the Articles of Incorporation is vacant, the Company shall hold a by-election at an extraordinary general meeting of shareholders within 60 days from the date of such vacancy.

If the number of independent directors is less than required in any applicable act or the Articles of Incorporation, the Company shall hold a by-election at the next shareholders' meeting; when any independent director is removed, an extraordinary shareholders' meeting shall be called for by-election within 60 days from the date of such removal.

- VII. The ballots shall be printed by the Company and distributed to all shareholders according to attendance card numbers for the election of the number of persons to be elected.

Voters shall fill in the candidate's account name in the "Candidate" column on the ballot, and may add the shareholder account number. If a candidate is a non-shareholder, the uniform number shall be indicated. If a candidate is a corporate shareholder, the "Candidate" column shall be filled in with the name of the corporate entity, and may also contain the name of the

corporate entity and the name of its representative. However, if a candidate elected is a non-shareholder, the identity document of the candidate shall be presented.

- VIII. At the beginning of the election, the chairman shall designate a number of scrutineers, tellers, and counters who are shareholders to perform various related tasks.
- IX. Ballots will be determined invalid under any of the following circumstances:
- (I) Ballots prepared by a person with the right to convene are not used.
 - (II) A blank ballot is put into the ballot box.
 - (III) The handwriting is illegible or has been altered.
 - (IV) If a candidate is a shareholder, but his/her account name and shareholder account number are different from the register of shareholders; if a candidate is not a shareholder, the name and identity document number deviate.
 - (V) Ballots that contain other writings in addition to the number of voting rights allocated.
- X. The voting rights shall be calculated on-site immediately after voting, and the list of elected directors and the number of votes shall be announced by the chair.
- The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with Article 189 of the Company Act, the ballots involved shall be kept by the Company until the legal proceedings are concluded.
- XI. The Company shall give notice of election to the directors elected.
- XII. For matters not covered in the rules, the Company Act and other applicable acts shall apply.
- XIII. The Rules shall become effective when passed by the shareholders' meeting. The same applies to any amendment hereto.