

HERMES MICROVISION, INC.

Article of Incorporation

Section I - General Provisions

Article 1

The company shall be organized as a company limited by shares under the Company Act of the Republic of China, and its name in English shall be Hermes Microvision Inc. (the "Company").

Article 2

The scope of business of the Company shall be as follows:

1. Manufacture of CB01010 Machinery and Equipment
2. Manufacture of CC01080 Electronic Parts and Components
3. I501010 Product Design
4. Research, development, design, manufacture and sale of the following products:
5. E-Beam Inspection Tool, Services associated with and technical support for E-Beam Inspection Tool

Article 3

The Company is headquartered in Hsin Chu City. When necessary, the Company may set up a foreign or domestic branch office upon adoption of resolution of the board of directors and approval by the competent authorities.

Article 4

Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Section II - Shares

Article 5

The total amount of share capital of the Company is NT\$ 1,200,000,000, which is divided into 120,000,000 shares with par value of NT\$ 10 each. Among all the shares, 9,000,000 shares, each with par value of NT\$10 and amount to NT\$ 90,000,000, are preserved for exercise of stock options. The board of directors is authorized to issue the remaining unissued shares in installments.

Article 6

The total amount of the Company's investment shall not be restricted by Article 13 of the Company Act, which provides that the total amount of investments in a company shall not exceed 40% of the amount of the Company's paid-up capital.

Article 7

The shares of the Company shall be registered share certificates. The shares shall be affixed with the signatures or personal seals of three or more directors and duly certified and authenticated prior to issuance.

The Company may be exempted from printing physical share certificates, provided that the shares have been publicly issued, and recordation by the centralized securities custody enterprise or institution has been made.

Article 8

Registration for transfer of shares shall be suspended within sixty (60) days prior to the convening date of an annual general meeting of shareholders, or within thirty (30) days prior to the convening date of an extraordinary general meeting of shareholders, or within five (5) days prior to the record date fixed by the Company for distribution of dividends, bonus or other benefits.

Section III - Shareholders' Meeting

Article 9

Shareholders' meetings of the Company are of two types: (1) annual general meeting of shareholders ("AGM"); and (2) extraordinary general meeting of shareholders ("EGM"). AGM shall be convened by the board of directors in accordance with the laws, rules and regulations within six (6) months after the close of each fiscal year. EGM shall be convened whenever necessary in accordance with the laws, rules and regulations.

Article 10

A shareholder who is unable to attend a shareholders' meeting may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney printed by the company, signed and affixed with seal, and stated therein the scope of power authorized to the proxy.

Article 11

Each share is entitled to one voting power, except shares which are subject to limitation, or the kinds of shares stipulated in Article 179 of the Company Act as having no voting power.

Article 12

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

Article 13

The proposal of revocation of public issuance of shares by the Company shall be submitted to the shareholders' meeting for review and approval with a resolution, and shall not be changed when the Company is listed for trading on stock exchange or registered as emerging stock.

Section IV – Directors and Audit Committee**Article 14**

The Company shall have seven (7) to thirteen (13) directors. The term of office of director is three (3) years. The Company adopts a candidates nomination system which shareholders shall elect the directors from among the nominees listed in the roster of director candidates; re-election shall be permissible.

Article 14-1

The number of independent directors shall be at least two and not less than one-fifth of the total number of directors in the board of directors. The independent directors shall be elected by candidates nomination mechanism. Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, method of nomination and election, and other matters for compliance with respect to independent directors shall be prescribed by the competent authority.

Article 14-2

The Company may purchase liability insurance for the damages incurred from the execution of business by the directors in their term of office.

Article 14-3

In compliance with Securities and Exchange Act, the Company shall establish an audit committee; the members of the audit committee shall consist of all and only independent directors of the Company. Upon establishment of an audit committee, the rights and duties of supervisors shall be transferred to the audit committee, and all provisions related to supervisors shall cease to apply.

Article 15

The board of directors shall be organized by directors. The chairman of the board of directors shall be elected from the directors by an approval of a majority of the directors present at a directors' meeting attended by two-thirds or more of all directors. The chairman shall have the authority to represent the Company externally. The board of directors shall elect the vice chairman according to the same rule as the election of chairman.

Article 16

The deputy of chairman of the board of directors shall be determined according to Article 208 of the Company Act if the chairman is on leave or absent or can not exercise his/her power and authority for any cause.

Directors and supervisors shall be notified of a meeting of board of directors with written notices, E-mail or fax seven (7) days prior to the meeting.

A meeting of the board of directors may be convened at any time in case of urgent circumstances. Notices may be made in writing via E-mail or fax.

Directors shall attend the meeting of the board of directors in person. A director may appoint another director to attend the meeting on his/her behalf by proxy. A director can only accept one proxy from one directors to attend the meeting on his/her behalf.

A meeting of the board of directors may proceed via video conference, the directors taking part in video conference shall be deemed to have attended the meeting in person.

Article 17

The remuneration of all the directors shall be determined by a shareholders' meeting. The board of directors may be authorized by the shareholders to determine according to the standard generally adhered in the industry irrespective of whether the Company operates at a profit or loss. Different remuneration may be reasonably adopted for independent directors.

Section V – Management of the Company

Article 18

A company may have managerial personnel. The appointment, discharge and remuneration of managerial personnel shall be conducted in accordance with Article 29 of the Company Act.

Section VI – Financial Reports

Article 19

After the end of each fiscal year, the financial reports stipulated in Article 228 of the Company Act shall be prepared by the board of directors and audited by audit committee thirty (30) days prior to the AGM; the financial reports shall then be submitted to the AGM for approval.

Article 20

If there is profit in the preceding fiscal year, the Company shall provide for and pay taxes, offset its losses in previous years, set aside a legal reserve at 10% of the profits, and then, by resolution of the company's shareholders meeting, or by order of the competent authority, sets aside a certain proportion of earnings as special reserve or reverse special reserve. As for the dividends distribution, a plan of distribution of dividends shall be proposed by the board of directors according to the dividend policy set forth in Paragraph 2 of this Article, and submitted to shareholders' meeting for approval.

Considering that the Company is in a growth stage, for the purpose of matching the overall environment and characteristics of the industry, and for the goal of achieving sustainable operation and long-term interests of shareholders, the dividend policy shall take into consideration factors such as the Company's current operating conditions and the capital budgeting plans of the subsequent year. In principle, dividends to shareholders shall be distributed in a combination of cash and shares, whereas the cash dividends shall not be less than 10% of the total dividends distributed to shareholders.

Article 20-1

Company shall pay not less than 1% of the profit in the preceding fiscal year as the bonus to employees and pay not more than 1% of the profit as the remuneration to directors.

However, the company's accumulated losses shall have been covered.

The distribution of employees' compensation shall be in the form of shares or in cash, and employees entitled to receive shares or cash include the employees of subsidiaries of the company meeting certain specific requirements.

The profit in the preceding fiscal year in paragraph 1 is defined as the profit before tax of the preceding year before deduction of the bonus to employees and the remuneration to directors.

The distribution of bonus to employees and the remuneration to directors shall be adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, and a report of such distribution shall be submitted to the shareholders' meeting.

Section VII – Supplementary Provisions

Article 21

In regard to all matters not provided for in these Articles of Incorporation, the Company Act shall govern.

Article 21-1

The Company may engage in providing guaranty activities.

Article 22

These Articles of Incorporation were resolved on April 30, 2003. The first amendment was made on July 3, 2003; the second amendment was made on February 23, 2004; the third amendment was made on June 21, 2005; the fourth amendment was made on August 30, 2007; the fifth amendment was made on June 16, 2009; the sixth amendment was made on June 10, 2010; the seventh amendment was made on November 30, 2010; the eighth amendment was made on June 30, 2011; the ninth amendment was made on June 6, 2014; the tenth amendment was made on June 8, 2016.

Hermes Microvision Inc.
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