TTY Biopharm Company Limited
Procedures for Acquisition or Disposal of Assets

Article 1 Legal basis:

These Procedures are established pursuant to Article 36-1 of the Securities and Exchange Act.

Article 2 The scope of assets:

Assets as referred to in these Procedures comprise the following:

1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchise rights (including drug licenses), and other intangible assets.
5. Right-of-use assets.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9. Other material assets: the acquisition and disposal of such assets shall be handled in accordance with these Procedures in their entirety.

Article 3 Definitions of Terms:

1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.
3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions,

or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.

6. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
7. Securities exchange: “Domestic securities exchange” refers to the Taiwan Stock Exchange Corporation; “foreign securities exchange” refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
8. Over-the-counter venue (“OTC venue”, “OTC”): “Domestic OTC venue” refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; “foreign OTC venue” refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

Article 4 Procedures for Acquisition or Disposal of Assets:

The Company’s “Internal Authorization and Approval Procedures” shall set forth the authorization levels and approval authority for asset acquisitions and disposals in accordance with the delegation thresholds prescribed under these Procedures. The acquisition or disposal of any category of asset shall only be executed upon approval in accordance with the “Internal Authorization and Approval Procedures.”

1. Authorization Thresholds and Levels:
   (1) The acquisition or disposal of long-term equity investments shall be submitted to the Board of Directors for approval in advance; the scope and investment ceiling for other securities shall be submitted to the Board of Directors for approval, following which the Chairman is authorized to approve individual transactions within the approved limits.
   (2) The acquisition or disposal of real property, equipment, intangible assets, or right-of-use assets thereof with a transaction value exceeding NT$30,000,000 shall be submitted to the Board of Directors for approval prior to execution.
   (3) The Company shall not, as a general principle, engage in the acquisition or disposal of membership certificates or claims against financial institutions; should business requirements necessitate such transactions, the matter shall be submitted to the Board of Directors for approval, following which relevant operating procedures shall be established.
2. Evaluation, Operating Procedures, and Responsible Units:
   (1) The acquisition or disposal of long-term equity investments shall require the formation of an investment evaluation committee composed of heads of relevant departments to conduct feasibility assessments; the acquisition or disposal of other securities shall be evaluated by the Finance and Accounting unit. Upon approval of the foregoing investments through the applicable authorization levels, execution shall be the responsibility of the Finance and Accounting unit.
   (2) The acquisition of real property, equipment, or right-of-use assets thereof shall require the requesting unit to prepare a capital expenditure plan and feasibility assessment in advance, incorporate the relevant capital

expenditure budget, and proceed with execution following approval through the applicable authorization levels; the disposal of real property, equipment, or right-of-use assets thereof shall require the using unit to complete an application form or submit a dedicated memorandum specifying the reasons and method of disposal, which shall be forwarded to the administrative unit for evaluation and subsequently submitted for approval through the applicable authorization levels prior to disposal.

(3) Intangible assets or right-of-use assets thereof shall be subject to feasibility assessment by the Intellectual Property unit and, following approval through the applicable authorization levels, execution shall be the responsibility of the Intellectual Property unit.

3. Where the acquisition or disposal of assets by the Company is required to be approved by the Board of Directors pursuant to these Procedures or other applicable laws and regulations, and a director expresses dissent with a recorded objection or written statement, the Company shall also submit the director's dissent to the Audit Committee.
4. When submitting asset acquisition or disposal transactions to the Board of Directors for deliberation pursuant to the preceding paragraph, the opinions of all independent directors shall be given full consideration; any objections or reservations expressed by an independent director shall be recorded in the minutes of the Board meeting.
5. Material asset or derivative transactions shall require the approval of more than one-half of all members of the Audit Committee and shall be submitted to the Board of Directors for resolution; the provisions of Article 14, Paragraphs 4 and 5 shall apply mutatis mutandis. Material asset transactions as referred to herein are those with a transaction value reaching 20% of the Company's paid-in capital, 10% of total assets, or NT$300,000,000 or more.

Article 5 Method of Price Determination and Reference Basis:

1. The acquisition or disposal of real property or right-of-use assets thereof shall be priced with reference to the announced current value, assessed value, and actual transaction prices of neighboring real property.
2. The acquisition or disposal of equipment or right-of-use assets thereof shall be subject to price inquiry, comparison, negotiation, or tender by the relevant responsible unit.
3. Securities transactions conducted on a stock exchange or over-the-counter market shall be priced according to prevailing market transaction prices; securities transactions not conducted on a stock exchange or over-the-counter market shall have a fair reference price assessed by the investment evaluation committee pursuant to Article 6, Paragraph 2, with the final transaction price determined through negotiation between the buyer and seller.
4. The acquisition or disposal of intangible assets or right-of-use assets thereof shall be negotiated with reference to international or market practice, the estimated useful life, and the impact on the Company's technology and business operations.

Article 6 Obtaining expert reports:

1. For the acquisition or disposal of real property, equipment, or right-of-use assets thereof by the Company, except for transactions with domestic government agencies, build-operate-transfer arrangements on Company-owned land, build-operate-transfer arrangements on leased land, or the acquisition or disposal of

equipment or right-of-use assets thereof for operating purposes, where the transaction value reaches 20% of the Company's paid-in capital or NT$300,000,000 or more, a valuation report issued by a professional appraiser shall be obtained prior to the date the transaction occurs, and the following requirements shall be met:

(1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.

(2) Where the transaction amount is NT$1 billion or more, appraisals from two or more professional appraisers shall be obtained.

(3) Where the valuation results of a professional appraiser fall under any of the following circumstances, unless all valuation results for an asset acquisition exceed the transaction price or all valuation results for an asset disposal are below the transaction price, a certified public accountant shall be engaged to express a specific opinion on the reasons for the discrepancy and the reasonableness of the transaction price:

   A. The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.

   B. The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.

(4) The date of the appraisal report issued by a professional appraiser and the date of contract execution shall not be more than three months apart; provided that where the same period's announced current value applies and no more than six months have elapsed, the original professional appraiser may issue a written opinion in lieu thereof.

2. For the acquisition or disposal of securities, the Company shall obtain the most recent financial statements of the target company that have been audited or reviewed by a certified public accountant prior to the date the transaction occurs, to serve as a reference for evaluating the transaction price. Where the transaction value reaches 20% of the Company's paid-in capital or NT$300,000,000 or more, a certified public accountant shall be engaged prior to the date the transaction occurs to express an opinion on the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).

3. For the acquisition or disposal of intangible assets or right-of-use assets thereof with a transaction value reaching 20% of the Company's paid-in capital or NT$300,000,000 or more, except for transactions with domestic government agencies, a certified public accountant shall be engaged prior to the date the transaction occurs to express an opinion on the reasonableness of the transaction price.

4. The calculation of transaction values under the preceding three paragraphs shall be conducted in accordance with Article 11, Paragraph 1, Subparagraph (2); the term "within one year" shall be measured retroactively from the date the current transaction occurs, and any portion for which a valuation report issued by a professional appraiser or an accountant's opinion has already been obtained in accordance with these Procedures shall not be included in the calculation again.

5. Valuation reports and written opinions obtained by the Company from

professional appraisers, accountants, attorneys, or securities underwriters, and the professional appraisers and their appraisal personnel, accountants, attorneys, or securities underwriters issuing such reports and opinions, shall comply with the following requirements:

(1) No final judgment of imprisonment of one year or more has been rendered for violations of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or criminal acts committed in the course of professional duties. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.

(2) May not be a related party or de facto related party of any party to the transaction.

(3) If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

6. When issuing a valuation report or written opinion, the personnel described in the preceding paragraph shall comply with the self-regulatory norms of their respective industry associations and the following requirements:

(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.

(2) When handling an engagement, appropriate workflows shall be properly planned and executed to form conclusions and issue the corresponding report or written opinion; the procedures performed, information gathered, and conclusions reached shall be recorded in full detail in the engagement working papers.

(3) The appropriateness and reasonableness of all data sources, parameters, and information utilized shall be assessed on an item-by-item basis as the foundation for issuing the valuation report or written opinion.

(4) The declaration shall include statements affirming the professional competence and independence of the relevant personnel, the appropriateness and reasonableness of the information utilized in the assessment, and compliance with applicable laws and regulations.

7. Where the Company acquires or disposes of assets through court auction proceedings, the certification documents issued by the court may substitute for the appraisal report or CPA opinion.

Article 7 Total amounts of real property and right-of-use assets thereof or securities acquired by the company and each subsidiary for business use, and limits on individual securities:

1. The aggregate amount of real property and right-of-use assets thereof, or securities, purchased by the Company for non-operating purposes shall not exceed the higher of 150% of the Company’s paid-in capital or 150% of equity attributable to owners of the parent as reported in the most recent financial statements; investment in any individual security shall not exceed 100% of equity attributable to owners of the parent as reported in the most recent financial statements; and the aggregate amount of short-term investments and undisposed idle assets or real property held shall not exceed 70% of equity

attributable to owners of the parent as reported in the Company's most recent financial statements.

2. The aggregate amount of real property and right-of-use assets thereof, or securities, purchased by each subsidiary for non-operating purposes shall not exceed the higher of 150% of such subsidiary's paid-in capital or 100% of equity attributable to owners of the parent as reported in the most recent financial statements; investment in any individual security shall not exceed 150% of equity attributable to owners of the parent as reported in the most recent financial statements; and the aggregate amount of short-term investments and undisposed idle assets or real property held shall not exceed 70% of equity attributable to owners of the parent as reported in such subsidiary's most recent financial statements.

Article 8 Related Party Transactions:

1. Where the Company acquires or disposes of assets from or to a related party, in addition to complying with the resolution procedures and assessment of transaction terms required under Article 6 and this Article, transactions with a value reaching 10% or more of the Company's total assets shall also require a valuation report issued by a professional appraiser or an accountant's opinion pursuant to Article 6. The calculation of the foregoing transaction value shall be conducted in accordance with Article 6, Paragraph 4. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

2. Evaluation and operating procedures:

   (1) Where the Company acquires or disposes of real property or right-of-use assets thereof from or to a related party, or acquires or disposes of assets other than real property or right-of-use assets thereof from or to a related party with a transaction value reaching 20% of the Company's paid-in capital, 10% of total assets, or NT$300,000,000 or more, except for transactions involving domestic government bonds, bonds with repurchase or resale agreements, or subscriptions or redemptions of money market funds issued by domestic securities investment trust enterprises, the following materials shall be submitted to and approved by the Audit Committee and the Board of Directors prior to execution of the transaction contract and remittance of payment:

      A. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.

      B. The reason for choosing the related party as a transaction counterparty.

      C. Materials relevant to the assessment of the reasonableness of the proposed transaction terms for the acquisition of real property or right-of-use assets thereof from a related party pursuant to Paragraph 3 of this Article.

      D. The date and price at which the related party originally acquired the asset, the counterparty to the transaction, and the relationship of such counterparty to the Company and the related party.

      E. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.

      F. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding paragraph.

G. Restrictive covenants and other important stipulations associated with the transaction.

(2) For transactions conducted between the Company and its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, the Board of Directors may, pursuant to the authorization granted to the Chairman under Article 4, Paragraphs 2 and 3, authorize the Chairman to approve such transactions within a prescribed limit in advance, with subsequent ratification to be submitted to the nearest Board meeting.

A. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.

B. Acquisition or disposal of real property right-of-use assets held for business use.

(3) When submitting matters for Board discussion pursuant to Subparagraph (1), the opinions of all independent directors shall be given full consideration; any objections or reservations expressed by an independent director shall be recorded in the minutes of the Board meeting.

(4) Matters required to be reviewed by the Audit Committee pursuant to Subparagraph (1) shall first receive the approval of more than one-half of all members of the Audit Committee and shall be submitted to the Board of Directors for resolution; the provisions of Article 14, Paragraphs 4 and 5 shall apply mutatis mutandis.

(5) Where the Company or a subsidiary of the Company that is not a domestically listed company engages in a transaction described in Subparagraph (1) with a transaction value reaching 10% or more of the Company’s total assets, the Company shall submit the materials enumerated in Subparagraph (1) to and obtain approval from the shareholders’ meeting prior to execution of the transaction contract and remittance of payment. Transactions between the Company and its subsidiaries, or between subsidiaries, are exempt from the foregoing requirement.

(6) The calculation of transaction values under Subparagraph (1) and the preceding paragraph shall be conducted in accordance with Article 11, Paragraph 1, Subparagraph (2); the term “within one year” shall be measured retroactively from the date the current transaction occurs, and any portion already submitted to and approved by the Audit Committee, the Board of Directors, and the shareholders’ meeting in accordance with these Procedures shall not be included in the calculation again.

(7) Where the Company engages in transactions described in Subparagraph (1) with a related party, the actual transaction details (including actual transaction amounts, transaction terms, and the materials enumerated in Subparagraph (1)) shall be reported to the nearest shareholders’ meeting following the end of the fiscal year.

3. Assessment of Reasonableness of Transaction Costs:

(1) For the acquisition of real property or right-of-use assets thereof from a related party, the Company shall assess the reasonableness of transaction costs using the following methods:

A. Based upon the related party’s transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. “Necessary interest on funding” is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.

B. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution’s appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

(2) Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.

(3) For the acquisition of real property or right-of-use assets thereof from a related party, the cost of such real property or right-of-use assets shall be assessed in accordance with the preceding two subparagraphs, and a certified public accountant shall be engaged to review and express a specific opinion thereon.

(4) Where the acquisition of real property or right-of-use assets thereof from a related party falls under any of the following circumstances, the preceding paragraph shall apply and the preceding three subparagraphs shall not apply:

A. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.

B. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.

C. The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company’s own land or on rented land.

D. Acquisitions of right-of-use assets of real property for operating purposes between the Company and its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital.

(5) When the Company acquires real property or right-of-use assets from related parties, and the assessment results under the preceding four subparagraphs and subparagraphs (7) through (8) are all lower than the transaction price, the Company shall carry out the following:

A. The difference between the transaction price of the real property or right-of-use assets and the assessed cost shall be set aside as a special reserve pursuant to Article 41, Paragraph 1 of the Securities and Exchange Act, and such amount shall not be distributed or capitalized into stock dividends. Where an investor that applies the equity method to account for its investment in the Company is a public company, such investor shall likewise set aside a special reserve in proportion to its shareholding ratio in accordance with the foregoing provisions.

B. The independent directors of the Audit Committee shall perform their duties in accordance with Article 218 of the Company Act.

C. The handling of the matters described in the preceding two items shall be reported to the shareholders' meeting, and the detailed particulars of the transaction shall be disclosed in the annual report and the prospectus.

(6) Where the Company has set aside a special reserve pursuant to the preceding subparagraph, such special reserve shall not be utilized until the assets acquired or leased at above-market prices have been recognized for impairment losses, disposed of, have had their lease agreements terminated, have received appropriate compensation, or have been restored to their original condition, or until other evidence confirms the absence of any unreasonableness, and the FSC has granted its approval.

(7) Where the Company acquires real property or right-of-use assets from related parties and other evidence indicates that the transaction is not conducted on an arm's length basis, the Company shall proceed in accordance with the preceding two subparagraphs. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

A. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:

(A) Bare land shall be assessed using the methods set forth in subparagraphs (1) through (4), while buildings shall be assessed based on the related party's construction cost plus a reasonable construction profit; where the aggregate amount exceeds the actual transaction price, the transaction shall be deemed to satisfy the assessment criteria. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.

(B) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.

B. The Company presents evidence that the real property purchased from or the right-of-use assets of real property leased from a related party were transacted under terms comparable to other non-related party transactions within the same area within the preceding one year and involving similar floor areas.

(8) For purposes of the preceding subparagraph, "transactions in the same area" refers, as a general principle, to transactions within the same or an adjacent block and within a radius of five hundred meters from the subject

property, or involving properties with comparable publicly announced current values; "similar floor area" refers, as a general principle, to cases where the floor area of the comparable non-related party transaction is not less than fifty percent of the floor area of the subject property; and "within the preceding one year" is calculated retroactively from the date on which the facts giving rise to the current acquisition of the real property or right-of-use assets occurred.

4. The provisions of these Procedures regarding ten percent of total assets shall be calculated based on the total asset amount set forth in the most recent individual or standalone financial report prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 9 Procedures for the Acquisition or Disposal of Derivative Financial Instruments:

The Company has adopted separate Procedures for Derivative Financial Instrument Transactions, and all acquisitions or disposals of derivative financial instruments shall be conducted in accordance with such Procedures.

Article 10 Procedures for Mergers, Demergers, Acquisitions, and Share Transfers:

1. When the Company carries out a merger, demerger, acquisition, or share transfer, it shall, prior to convening a board meeting to resolve on the matter, engage a CPA, attorney, or securities underwriter to render an opinion on the reasonableness of the share exchange ratio, acquisition price, or cash or other property to be distributed to shareholders, and submit such opinion to the board of directors for deliberation and approval. Provided, however, that where the Company merges with a subsidiary in which it directly or indirectly holds one hundred percent of the issued shares or total capital, or where such wholly-owned subsidiaries merge with one another, the Company may be exempted from obtaining the foregoing expert opinion on reasonableness. The material terms and conditions of and matters relating to a merger, demerger, or acquisition shall be compiled into a public document addressed to shareholders prior to the shareholders' meeting, and such document, together with the aforementioned expert opinion and the notice of the shareholders' meeting, shall be delivered to shareholders for their reference in deciding whether to approve the proposed merger, demerger, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply. Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.
2. When the Company participates in a merger, demerger, or acquisition, unless otherwise provided by other laws or unless special circumstances have been reported to and approved in advance by the FSC, the board meeting and shareholders' meeting to resolve on matters relating to the merger, demerger, or acquisition shall be convened on the same day. Companies participating in a share transfer shall, unless otherwise provided by other laws or unless special circumstances have been reported to and approved in advance by the FSC, convene their respective board meetings on the same day.
3. Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of

confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.

4. When the Company participates in a merger, demerger, acquisition, or share transfer, the share exchange ratio or acquisition price shall not be arbitrarily amended except under the following circumstances, and the conditions under which amendments may be made shall be stipulated in the merger, demerger, acquisition, or share transfer agreement:
   (1) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
   (2) An action, such as a disposal of major assets, that affects the company's financial operations.
   (3) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
   (4) An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
   (5) An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
   (6) Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.
5. The agreement for a merger, demerger, acquisition, or share transfer shall set forth the rights and obligations of the participating companies, and shall include the following particulars:
   (1) Handling of breach of contract.
   (2) Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
   (3) The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
   (4) The manner of handling changes in the number of participating entities or companies.
   (5) Preliminary progress schedule for plan execution, and anticipated completion date.
   (6) Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.
6. After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such

participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.

7. Where any company participating in a merger, demerger, acquisition, or share transfer is not a public company, the Company shall enter into an agreement with such company and proceed in accordance with the provisions of Paragraphs 2, 3, 6, and 8 through 10.

8. When the Company participates in a merger, demerger, acquisition, or share transfer, it shall prepare a complete written record of the following information and retain such record for five years for inspection purposes:

   (1) Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.

   (2) Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.

   (3) Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings.

9. When the Company participates in a merger, demerger, acquisition, or share transfer, it shall, within two days commencing from the date of approval by the board of directors, file the information set forth in Items 1 and 2 of the preceding paragraph with the FSC for recordation via the internet-based information system in the prescribed format.

10. Where any company participating in a merger, demerger, acquisition, or share transfer is not a company whose shares are listed on a stock exchange or traded on the over-the-counter market, the Company shall enter into an agreement with such company and proceed in accordance with the provisions of the preceding two paragraphs.

Article 11 Public announcement and regulatory filing procedures:

1. Public Announcement and Reporting by the Company:

   (1) When the Company acquires or disposes of assets, it shall, depending on the nature of the transaction and under the following circumstances, file the relevant information on the website designated by the FSC within two days commencing from the date on which the facts occur, using the prescribed format:

      A. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

B. Merger, demerger, acquisition, or transfer of shares.

C. Acquisition or disposal of equipment or right-of-use assets thereof for operating use, where the counterparty is not a related party and the transaction amount reaches NT$500 million or more.

D. Acquisition of real property through owner-provided land construction contracts, leased-land construction contracts, joint construction with allocation of units, joint construction with allocation of proceeds, or joint construction with separate sales arrangements, where the counterparty is not a related party and the transaction amount the Company expects to commit reaches NT$500 million or more.

E. Asset transactions other than those described in the preceding four items, or investments in Mainland China, where the transaction amount reaches twenty percent of the Company's paid-in capital or NT$300 million or more. provided, this shall not apply to the following circumstances:

(A) Purchase and sale of domestic government bonds or foreign government bonds with a credit rating no lower than the sovereign credit rating of the Republic of China.

(B) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

(2) The transaction amounts referred to in the preceding subparagraph shall be calculated in the following manner:

A. The amount of any individual transaction.

B. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.

C. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.

D. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

(3) The term "within one year" as used in the preceding subparagraph refers to a period calculated retroactively for one year from the date on which the facts giving rise to the current transaction occurred; amounts already publicly announced and reported in accordance with these Procedures need not be included in the calculation.

2. Public Announcement and Reporting by Subsidiaries:

(1) Where a subsidiary of the Company is not a domestic public company and such subsidiary acquires or disposes of assets meeting the thresholds prescribed in these Procedures, the Company shall make a public announcement and file the report on the subsidiary's behalf.

(2) The phrase "reaching twenty percent of the company's paid-in capital or ten percent of total assets" as used in the public announcement and reporting standards for subsidiaries shall be determined by reference to the

paid-in capital or total assets of the Company.

3. Where, following a transaction publicly announced and reported by the Company pursuant to Paragraph 1, any of the following circumstances arise, the Company shall file the relevant information on the website designated by the FSC within two days commencing from the date on which the facts occur:
   (1) Change, termination, or rescission of a contract signed in regard to the original transaction.
   (2) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
   (3) Change to the originally publicly announced and reported information.
4. Where any item that the Company is required to publicly announce contains an error or omission requiring correction, the Company shall re-announce and re-file all applicable items within two days commencing from the date on which such error or omission comes to its knowledge.
5. The Company shall retain at its principal office all relevant contracts, minutes of meetings, log books, appraisal reports, and CPA, attorney, and securities underwriter opinions in connection with the acquisition or disposal of assets, and unless otherwise provided by other laws, shall retain such documents for a minimum of five years.

Article 12 Control procedures for the acquisition and disposal of assets by subsidiaries:

1. Subsidiaries shall likewise formulate their own procedures for the acquisition and disposal of assets in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
2. Where a subsidiary of the Company is not a domestic public company and an event occurs that is subject to the public announcement and reporting requirements under the applicable regulations governing the acquisition or disposal of assets, the Company shall make such announcement and filing on the subsidiary’s behalf.

Article 13 Penalties for Violations by Managers and Responsible Personnel:

Where any manager or responsible personnel of the Company violates these Procedures, the matter shall be submitted for performance review in accordance with the Company’s Employee Handbook, and disciplinary action shall be imposed commensurate with the severity of the circumstances.

Article 14 Implementation and Amendment:

1. These Procedures shall be submitted to and approved by the Audit Committee, followed by approval by the board of directors, and shall thereafter be submitted to the shareholders’ meeting for ratification; the same procedure shall apply to any amendments. Where any director expresses a dissenting opinion with a written record or written statement, the Company shall also submit the record of such dissent to the Audit Committee.
2. When the procedures for the acquisition and disposal of assets are submitted to the board of directors for deliberation pursuant to the preceding paragraph, the opinions of all independent directors shall be given full consideration; where any independent director raises an objection or expresses a reservation, such objection or reservation shall be recorded in the minutes of the board meeting.
3. Any amendment to the Procedures for the Acquisition and Disposal of Assets shall be approved by more than one-half of all members of the Audit Committee

and submitted to the board of directors for resolution.

4. If approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.
5. The terms “all audit committee members” in paragraph 3 and “all directors” in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

Article 15 Supplementary Provisions:

Matters not addressed in these Procedures shall be handled in accordance with applicable laws and regulations and the Company’s relevant internal rules.

These Procedures were established on May 22, 1998.

The 1st Amendment was made on March 24, 2000

The 2nd Amendment was made on May 13, 2002

The 3rd Amendment was made on May 19, 2003

The 4th Amendment was made on June 21, 2007

The 5th Amendment was made on June 22, 2012

The 6th Amendment was made on June 24, 2014

The 7th Amendment was made on June 16, 2017

The 8th Amendment was made on June 25, 2019

The 9th Amendment was made on May 26, 2022

The 10th Amendment was made on May 30, 2024

The 11th Amendment was made on May 28, 2026