Stock Code: 3363

上 詮 光 纖 通 信 股 份 有 限 公 司

FOCI Fiber Optic Communications, Inc.

2026 Annual General Shareholders' Meeting

Meeting Agenda

May 28, 2026

2F., No. 1, Gongye E. 2nd Rd., Hsinchu Science Park., Hsinchu City

(Hsinchu Science Park Life Hub- 4F Bach)

The following is a translation of the Chinese version for reference only. If there are any discrepancies between the Chinese and English versions, the Chinese version shall prevail.

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FOCI Fiber Optic Communications, Inc.

Agenda for 2026 Annual General Shareholders’ Meeting

Time: 9:00 am on May 28, 2026 (Thursday)

Location: 4F., No. 1, Gongye E. 2nd Rd., Hsinchu Science Park., Hsinchu City
(Hsinchu Science Park Life Hub- 4F Bach)

Method for the Meeting: Physical Shareholders' Meeting

1. The Meeting Called to Order (report number of shares attended)
2. Chairperson's Address
3. Report Items
   (1) 2025 Annual Business Report.
   (2) 2025 Audit Committee’s Review Report.
   (3) Report on the 2025 Annual Directors’ Remuneration Payment Status.
   (4) Report on the 2025 Status of Private Placement of Common Shares.
   (5) Report on the Implementation Status of the Business Improvement Plan.
4. Recognition Items
   (1) 2025 Business Report and Financial Statements.
   (2) 2025 Annual Loss Appropriation Proposal
5. Discussion Items
   (1) Proposed Amendments to Certain Provisions of the “Procedures for Acquisition or Disposal of Assets”
   (2) Proposed Amendments to Certain Provisions of the "Procedures for Lending Funds to Other Parties"
   (3) Proposed Amendments to Certain Provisions of the "Procedures for Endorsements and Guarantees"
   (4) The Company proposes to conduct a private placement of common shares.
6. Extempore Motions
7. Adjournment

Report Items

1. 2025 Annual Business Report.

Explanatory Notes:
For the 2025 Annual Business Report, please refer to pages 10–11 (Attachment 1).

2. 2025 Audit Committee's Review Report.

Explanatory Notes:
For the 2025 Audit Committee's Review Report, please refer to page 12 (Attachment 2).

3. Report on the 2025 Annual Directors' Remuneration Payment Status.

Explanatory Notes:

(1) According to Article 19 of the Company's Articles of Incorporation, if there is a profit in the fiscal year, 5% to 15% shall be appropriated as employee remuneration. Of the aforementioned employee remuneration, no less than 25% shall be allocated for salary adjustments or remuneration distribution to junior employees. In addition, no more than 5% shall be appropriated as director remuneration. However, if the Company still has accumulated losses, it shall reserve a portion of its earnings to offset the losses first.

(2) The Company's director remuneration payment policy, system, standards, and structure, and the correlation between the responsibilities, risks, time invested, and the amount of remuneration: In addition to considering the evaluation results of the Board of Directors' performance assessment, the Remuneration Committee reviews the directors' participation in company operations and their contribution value, links the reasonableness and fairness of performance risks with the remuneration received, and proposes recommendations to the Board of Directors after considering the Company's operational performance and industry standards.

(3) The 2025 Annual Report did not distribute director remuneration. For the detailed 2025 Annual directors' remuneration payment status, please refer to pages 13-14 (Attachment 3).

4. Report on the 2025 Status of Private Placement of Common Shares.

Explanatory Notes:

(1) At the Annual General Shareholders' Meeting held on May 23, 2025, the Company approved to conduct a private placement of common shares, within the limit of 10,000,000 shares. Pursuant to Article 43-6 of the Securities and Exchange Act, such private placement shall be completed within one year from the date of the shareholders' meeting resolution.

(2) Pursuant to the resolution of the Board of Directors on February 26, 2026, the private placement proposal expired on May 22, 2026, and will therefore not be carried out.

5. Report on the Implementation Status of the Business Improvement Plan.

Explanatory Notes:

In connection with the Company’s cash capital increase through the issuance of common shares in 2025, and in accordance with the Financial Supervisory Commission (FSC) Letter No. 1140367168 issued on January 5, 2026, the implementation status of the Business Improvement Plan is hereby reported to the Annual General Shareholders' Meeting. Please refer to pages 15-16 (Attachment 4).

Recognition Items

Proposal 1: 2025 Business Report and Financial Statements. (proposed by the Board of Directors)

Explanatory Notes:

(1) The Company's 2025 Financial Statements have been audited by accountants Shu-Chien Bai and Tien-Yi Li of PwC Taiwan and submitted to the Audit Committee for review with the Business Report.

(2) The Business Report, Independent Auditors' Report, and Financial Statements referred to in the preceding paragraph are set forth on pages 10-11 (Attachment 1) and pages 17-41 (Attachment 5 to 6) of this Handbook and are hereby submitted for approval.

Resolution:

Proposal 2: 2025 Annual Loss Appropriation Proposal (proposed by the Board of Directors)

Explanatory Notes:

The after-tax net income of the Company in 2025 was NT$16,194,133. Please refer to page 42 (Attachment 7) for the proposed Statement of Loss Appropriation.

Resolution:

Discussion Items

Case 1. Proposed Amendments to Certain Provisions of the "Procedures for Acquisition or Disposal of Assets" (proposed by the Board of Directors)

Explanatory Note:

In accordance with the Financial Supervisory Commission (FSC) Order No. 1140383333 issued on July 24, 2025, and in alignment with the Company's establishment of an Audit Committee in lieu of supervisors, certain provisions of the "Procedures for Acquisition or Disposal of Assets" are proposed to be amended. Please refer to pages 43-53 (Attachment 8) for the comparison table of the amended and existing provisions. The proposal is hereby submitted for discussion.

Resolution:

Case 2. Proposed Amendments to Certain Provisions of the " Procedures for Lending Funds to Other Parties" (proposed by the Board of Directors)

Explanatory Note:

In alignment with the Company's establishment of an Audit Committee in lieu of supervisors, certain provisions of the "Procedures for Lending Funds to Other Parties" are proposed to be amended. Please refer to pages 54-62 (Attachment 9) for the comparison table of the amended and existing provisions. The proposal is hereby submitted for discussion.

Resolution:

Case 3. Proposed Amendments to Certain Provisions of the "Procedures for Endorsements and Guarantees" (proposed by the Board of Directors)

Explanatory Note:

In alignment with the Company's establishment of an Audit Committee in lieu of supervisors, certain provisions of the "Procedures for Endorsements and Guarantees" are proposed to be amended. Please refer to pages 63-71 (Attachment 10) for the comparison table of the amended and existing provisions. The proposal is hereby submitted for discussion.

Resolution:

Case 4. The Company proposes to conduct a private placement of common shares. (proposed by the Board of Directors)

Explanatory Notes:

(1) Purpose and Scale of Fundraising: To attract strategic investors and enhance long-term partnerships with strategic collaborators while strengthening the Company's working capital to meet its long-term development funding needs, the Board of Directors will seek authorization from the shareholders’ meeting to conduct a private placement of common shares within a maximum limit of 10,000 thousand shares. The private placement shall be carried out in one to three tranches within one year from the date of the Shareholders’ Meeting resolution.

(2) Explanation of the Private Placement in accordance with Article 43-6 of the "Securities and Exchange Act" and the "Directions for Public Companies Conducting Private Placements of Securities":

I. Basis and Reasonableness of Private Placement Pricing:

i. The offering price shall be set at no less than 80% of the higher of the following two benchmark prices:

A. The simple arithmetic average closing price of common shares for one, three, or five business days prior to the pricing date, adjusted for ex-rights and ex-dividends, and adding back the post-capital reduction price adjustment.

B. The simple arithmetic average closing price of common shares for thirty business days prior to the pricing date, adjusted for ex-rights and ex-dividends, and adding back the post-capital reduction price adjustment.

C. The actual pricing date and private placement price shall be determined by the Board of Directors within the range approved by the shareholders’ meeting based on negotiations with specific investors.

II. Selection Criteria, Purpose, Necessity, and Expected Benefits of Specific Investors:

i. The private placement targets shall be limited to specific persons as defined under Article 43-6 of the Securities and Exchange Act and Financial Supervisory Commission (FSC) Order No. 1120383220 issued on September 12, 2023. The selected investors must be strategic investors.

ii. Purpose, necessity, and expected benefits of selecting strategic investors: To support the Company’s operational development, the Company will select individuals or entities that can contribute to enhancing its technology, product development, cost reduction, market expansion, or customer relations. Through their experience, technology, knowledge, reputation, or distribution channels, the Company aims to strengthen its competitiveness, improve operational efficiency, and drive long-term growth.

iii. The Company has not yet determined the specific investors for this private placement.

III. Necessity of Conducting a Private Placement:

i. Reasons for Not Conducting a Public Offering: Considering the conditions of the capital market, fundraising timeliness, issuance costs, and the three-year transfer restriction on privately placed shares, a private placement is deemed more suitable for securing and strengthening long-term partnerships with strategic collaborators.

ii. Placement Scale, Fund Utilization, and Expected Benefits:

A. Placement Scale: The Company will conduct the private placement in one to three tranches within one year from the date of the shareholders' meeting resolution, depending on market conditions and negotiations with investors. Any unissued shares from previous tranches or future planned issuances may be combined, provided that the total issuance does not exceed 10,000 thousand shares.

B. Purpose of Each Tranche: To replenish working capital and support the Company's long-term funding needs.

C. Expected Benefits of Each Tranche: To enhance the Company's competitiveness, improve operational efficiency, support long-term development, and maximize overall shareholder value.

(3) In the year preceding the Board of Directors' resolution to conduct a private placement, there were no significant changes in management control, nor will the introduction of strategic investors through this private placement lead to any significant changes in management control.

(4) The rights and obligations of the common shares issued in this private placement are, in principle, identical to those of the common shares already issued by the Company. However, according to Article 43-8 of the Securities and Exchange Act, except for the transferees and conditions stipulated in the said article, the common shares issued in this private placement shall not be freely transferred within three years after issuance. Upon the expiration of the three-year period, the Board of Directors is authorized to apply to the competent authority for a public issuance registration and trading on the TPExof these privately placed common shares, based on the prevailing market conditions.

(5) Regarding matters related to this private placement, including the number of shares to be issued, issuance price, issuance conditions, project items, fundraising amount, use of funds, expected progress, and potential benefits, as well as all other matters related to the issuance plan, if changes or amendments are necessary due to revisions in laws or regulations, requirements of the competent authority, operational assessments, or changes in objective circumstances, except for the private placement pricing ratio, it is proposed for the Annual General Shareholders’ Meeting to authorize the Board of Directors to adjust, determine, and handle such matters based on the prevailing market conditions. In the future, if there are changes in laws or regulations, instructions from the competent authority to make amendments, or if changes are necessary based on operational assessments or due to objective circumstances, the Board of Directors is also fully authorized to handle such matters.

(6) To facilitate this private placement of common shares, it is proposed that the shareholders' meeting authorize the Chairman to sign, negotiate, and amend all relevant contracts and documents concerning the private placement of common shares on behalf of the Company, and to handle all matters necessary for the issuance of private placement common shares.

Resolution:

Extempore Motions

Adjournment

Attachment 1

Business Report

Dear Shareholders,

After years of investment in precision optical fiber packaging technology, coupled with the development of semiconductor technology and the trends of the technology industry, the Company has secured a key position in the silicon photonics (SiPh) packaging industry. In addition to receiving recognition under the A+ Industrial Innovation R&D Program of the Ministry of Economic Affairs, the Company has continued to collaborate with international customers to develop optical communication products that meet the demands of AI development, while actively advancing its plans for subsequent mass production deployment. 2026 will be a key year for silicon photonics (SiPh) packaging products to step onto the international stage.

In 2025, FOCI’s consolidated revenue was NT$1,891,994 thousand, with an EPS of NT$0.16. While focusing on the development of its silicon photonics (SiPh) business development and R&D, the Company has also actively pursued opportunities in its existing optical communication components business to maintain stable operating momentum, thereby serving as a key driver of its corporate transformation. The Company will continue to concentrate resources to meet the needs of key customers, focus its core business on strategic products, and expand the application of optical communication products in the server market. With respect to the planning of its silicon photonics packaging business, in addition to aligning with the plans and timelines of leading international companies and working closely with IC design firms to meet customers’ required specifications, the Company will also establish dedicated production lines in accordance with customer requirements to support mass production.

On the R&D front, we will focus on high-density optical coupling, silicon photonics packaging integration, and the improvement of automated process capabilities, and promote process standardization and modular platforms to establish a one-stop solution from fiber arrays and packaging to testing. In addition to continuously refining our services to meet customer specifications and strengthening the development of automated production and testing equipment, we will further work with customers to challenge the limits of technology, strengthen technological innovation and patent portfolio development, and maintain a leading position in the industry.

In terms of production planning, in addition to the construction of the Thailand plant and the expansion of the cleanroom at the Hsinchu plant to meet customers' needs for mass production, we also carry out optimal shift scheduling and workforce expansion plans to meet customers’ required shipment volume and quality, and to support various R&D engineering validation requirements. At the same time, the Company continues to optimize the configuration of automated equipment for mass production and enhance its smart manufacturing systems.

With respect to digital transformation and the strengthening of information security, in addition to completing ISO 27001 Information Security Management System certification this year, the Company will promote a Zero Trust project to further enhance information security controls. In terms of corporate sustainable development (ESG), in addition to upholding corporate governance principles of integrity management and legal compliance, the Company will fully implement the ISO 45001 Occupational Health and Safety Management System and continue to advance ISO 14001 and ISO 14064-1 Greenhouse Gas Inventory implementation to ensure higher standards in environmental protection and occupational health and safety. In addition, the Company plans to promote the RBA CSR system to strengthen labor rights protection, ensure that the factory environment meets higher international standards, improve supply chain management, and deepen social responsibility practices.

Upholding integrity and corporate responsibility, FOCI has been steadily deepening the development of Taiwan's optical communication capabilities through talent cultivation and industry-academia collaboration. We also actively participate in charitable activities with social welfare organizations, working together to build a sustainable, low-carbon enterprise committed to giving back to society. Building on our solid foundation, we hope to reach new heights in our business development this year. We extend our sincere gratitude to our shareholders for their continued support and encouragement. FOCI will seize the opportunities presented by AI development, fully expanding our technological advantages and securing a leading market position to repay the support and trust of our shareholders and investors.

I wish all shareholders, ladies and gentlemen, good health, and happiness!

Chairman: Song-fure Lin

President: Ting-ta Hu

Accounting Supervisor: Ya-fang Yu

Attachment 2

Audit Committee's Review Report

The Board of Directors prepared the Company's 2025 annual Business Report, Financial Statements, and Loss Appropriation Proposal, among which the Financial Statements were audited by accountants Shu-Chien Bai and Tien-Yi Li from PricewaterhouseCoopers Taiwan; an audit report has been issued. The Audit Committee has reviewed the above-mentioned Business Report, Financial Statements, and Loss Appropriation Statement; there is no discrepancy. The report follows the relevant provisions of the Securities and Exchange Act and the Company Act. Please review.

Sincerely,

FOCI Fiber Optic Communications, Inc.

2026 Annual General Shareholders' Meeting

The Audit Committee

Convener: Li-jen Kuo

Feb 26, 2026

Attachment 3

2025 Annual Directors' Remuneration Payment status

31 Dec 2025; Unit: NT$ thousand

Job Title	Name	Remuneration for Board Directors								Total of A, B, C and D, and percentage to income after tax (note 6)		Remunerations received by employees with concurrent jobs								Total of A, B, C, D, E, F, and G, and percentage to income after tax (note 6)		Pays received from parent company or invested business(s) other than a subsidiary
		Pay (A) (note1)		Pension (B)		Remuneration for Board Director (C) (note 2)		Expense for Professional Service (D) (note 3)				Salary, bonus, and special allowance (E) (note 4)		Pension (F)		Employee Pay (G) (note 5)						
		FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI		All companies in financial statement		FOCI	All companies in financial statement	
																Cash amount	Stock amount	Cash amount	Stock amount			
Chairman	Song-fure Lin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director	Lee-chiou Chang	-	-	-	-	-	-	30	30	30 0.19%	30 0.19%	-	-	-	-	-	-	-	-	30 0.19%	30 0.19%	-
Director	Wonderland Enterprise Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Legal Representative: Hao Fang	-	-	-	-	-	-	30	30	30 0.19%	30 0.19%	-	-	-	-	-	-	-	-	30 0.19%	30 0.19%	-
Director	Ting-ta Hu	-	-	-	-	-	-	-	-	-	-	7,091	7,091	108	108	-	-	-	-	7,199 44.45%	7,199 44.45%	-
Independent Director	Li-jen Kuo	1,200	1,200	-	-	-	-	45	45	1,245 7.69%	1,245 7.69%	-	-	-	-	-	-	-	-	1,245 7.69%	1,245 7.69%	-
Independent Director	Tzu-ming Wang	1,200	1,200	-	-	-	-	45	45	1,245 7.69%	1,245 7.69%	-	-	-	-	-	-	-	-	1,245 7.69%	1,245 7.69%	-
Independent Director	Tien-chang Huang	1,200	1,200	-	-	-	-	40	40	1,240 7.66%	1,240 7.66%	-	-	-	-	-	-	-	-	1,240 7.66%	1,240 7.66%	-

1. Please describe the policy, system, criteria, and structure to pay Independent Directors, and state the correlation between the job they perform, risks, and time input and the amount of their pay: The remuneration of FOCI's Independent Directors is also reviewed by the remuneration committee for the extent of their participation in and contributions for FOCI, in addition to considering the evaluation results obtained from the performance evaluation of the Board of Directors. Suggestions are submitted to the Board of Directors for resolution based on Company’s business performance.
2. The remuneration received by Board Directors in the most recent year for providing services (such as serving as a consultant of FOCI/an invested enterprise for the parent company/finance/report and not a FOCI employee, etc.), in addition to the disclosure in the table above: None.

Note 1: This refers to the remuneration of Directors for the fiscal year 2025 (including Director salaries, duty allowance, severance pay, bonuses, incentives, etc.).

Note 2: This is the amount of Directors' remuneration distributed by the Board of Directors for the fiscal year 2025.

Note 3: It refers to the relevant business execution expenses of directors for the fiscal year 2025 (including travel expenses, special allowance, various allowances, and payment in kind like dormitory and company car, etc.). If housing, cars and other means of transportation or exclusive personal expenses are provided, the nature and cost of the assets provided, the actual or calculated rent at fair market prices, fuel and other payments shall be disclosed. In addition, if a driver is provided, the relevant remuneration paid by the Company to the driver shall be noted, but will not be included in the remuneration.

Note 4: This refers to the remuneration received by Directors who are also employees for the fiscal year 2025 (such as President, Vice President, other Managers, and employees as a concurrent position), including salary, duty allowance, severance pay, various bonuses, rewards, travel expenses, special allowance, various allowances, and payment in kind such as dormitories and company car. If housing, cars and other means of transportation or exclusive personal expenses are provided, the nature and cost of the assets provided, the actual or calculated rent at fair market prices, fuel and other payments shall be disclosed. In addition, if a driver is provided, the relevant remuneration paid by the Company to the driver shall be noted, but will not be included in the remuneration. The salary expenses recognized in accordance with IFRS 2 "Share-Based Payment", including the acquisition of Employee Share Subscription Warrants, new shares with restricted employee rights, and participation in cash capital increase subscription shares, etc., shall be included in remuneration.

Note 5: For Directors who are also employees for the fiscal year 2025 (such as President, Vice President, other Managers, and employees as a concurrent position) and received employee remuneration (including stock and cash), the amount of employee remuneration distributed by the Board of Directors in the most recent year shall be disclosed. If it is impossible to estimate, the proposed distribution amount for this year shall be calculated based on the proportion of the actual distribution amount of last year.

Note 6: Net income refers to the net profit after tax as disclosed in the individual financial report for the fiscal year 2025.

Note 7: The content of remuneration disclosed in this table is different from the concept of income in the Income Tax Act. This table is for information disclosure and not for taxation purposes.

Attachment 4

Implementation Status of the Business Improvement Plan

Pursuant to the Financial Supervisory Commission (FSC) Letter No. 1140367168 issued on January 5, 2026, the implementation status of the Company's Business Improvement Plan shall be reported to the Board of Directors quarterly for monitoring and control, and reported to the shareholders' meeting.

(I) Business Improvement Plan

Unit: NT$ thousand

Quarter / Item	Q1 2025 Actual	Q2 2025 Actual	Q3 2025 Actual	Q4 2025 Estimated	2025 Estimated
Operating Revenue	411,403	582,076	507,741	366,000	1,867,220
Operating Costs	340,859	467,157	386,848	302,028	1,496,892
Gross Profit	70,544	114,919	120,893	63,972	370,328
Operating Expenses	77,377	82,769	109,959	109,944	380,049
Operating Income (Loss)	(6,833)	32,150	10,934	(45,972)	(9,721)
Non-operating Revenues and Expenses	9,021	(18,805)	10,292	7,260	7,768
Income (Loss) Before Tax	2,188	13,345	21,226	(38,712)	(1,953)
Net Income (Loss)	1,110	16,870	20,579	(34,880)	3,679

(II) Status of Implementation of the Business Improvement Plan

Unit: NT$ thousand

2025				
Item	Estimated	Actual	Variance	Achievement Rate
Operating Revenue	1,867,220	1,891,994	24,774	101.3%
Operating Costs	1,496,892	1,537,079	40,187	102.7%
Gross Profit	370,328	354,915	(15,413)	95.8%
Operating Expenses	380,049	354,427	(25,622)	93.3%
Operating Income (Loss)	(9,721)	488	10,209	(5.0)%
Non-operating Revenues and Expenses	7,768	22,324	14,556	287.4%
Income (Loss) Before Tax	(1,953)	22,812	24,765	(1,168.0)%
Net Income (Loss)	3,679	16,194	12,515	440.1%

Attachment 4

(III) Implementation Status of the Business Improvement Plan

1. In 2025, the achievement rates for operating revenue and gross profit were 101.3% and 95.8%, respectively. Operating revenue increased by NT$24,774 thousand compared with the estimated amount, while gross profit decreased by NT$15,413 thousand. This was primarily attributable to low yield rates of new products, resulting in higher operating costs.
2. Operating expenses decreased by NT$25,622 thousand compared with the estimated amount, mainly due to the reversal of accrued employee compensation and reduced R&D expenses in the fourth quarter in line with project progress, which led to lower material consumption for research and development.
3. Non-operating revenues and expenses increased by NT$14,556 thousand compared with the estimated amount, mainly due to the Company's improvement and optimization of machinery and equipment that had been subject to impairment provisions in line with the development of its silicon photonics business, and the integration of these facilities into the silicon photonics production line, resulting in asset recovery benefits.
4. Overall, the Company reported net income of NT$16,194 thousand for 2025, with an achievement rate of 440.1%, representing an increase of NT$64,466 thousand compared with the previous year (2024). The Company's operating performance improved from a loss to a profit. Going forward, FOCI will continue to maintain stable operating capabilities and actively promote research and market expansion of its silicon photonics-related business to enhance its medium- to long-term operational stability.

Attachment 5

Representation Letter

In connection with the Consolidated Financial Statements of Affiliated Enterprises of FOCI FIBER OPTIC COMMUNICATIONS, INC. (the "Consolidated FS of the Affiliates"), we represent to you that, the entities required to be included in the Consolidated FS of the Affiliates as of and for the year ended December 31, 2025 in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those required to be included in the Consolidated Financial Statements of FOCI FIBER OPTIC COMMUNICATIONS, INC. and its subsidiaries (the "Consolidated FS of the Group") in accordance with International Financial Reporting Standard 10. Additionally, the information required to be disclosed in the Consolidated FS of Affiliates is disclosed in the Consolidated FS of the Group. Consequently, FOCI FIBER OPTIC COMMUNICATIONS, INC. does not prepare a separate set of Consolidated FS of Affiliates.

Very truly yours,
FOCI FIBER OPTIC COMMUNICATIONS, INC.
By

Song-fure Lin, Chairman
February 26, 2026

Attachment 5

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR25000390

To the Board of Directors and Shareholders of FOCI Fiber Optic Communications, Inc.

Opinion

We have audited the accompanying consolidated balance sheets of FOCI Fiber Optic Communications, Inc. and subsidiaries (the "Group") as at December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Assessment of Inventory Valuation

Description of key audit matter

Refer to Note 4(14) for accounting policies on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses, and Note 6(6) for details of inventories. The Group is primarily engaged in researching, developing, manufacturing, selling of optical fiber communication. Due to the rapid innovations in communication technology and the highly competitive market, there was a higher risk of incurring inventory loss on decline in market value or having obsolete inventory. Given that the net realisable value used in the inventory valuation usually involved subjective judgement and estimation uncertainty, and the inventories were material to the financial statements, we considered the inventory valuation as one of the key audit matters.

How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures are as follows:

1. Obtained an understanding on the Group's operations and its industry characteristic to assess the reasonableness of the Group's policies on and procedures for allowance for inventory valuation losses.

2. Assessed and tested the reasonableness of the basis of net realisable value used by management and the accuracy of the net realisable value calculation.
3. Acquired management's individually identified obsolete or damaged inventory list, inspected the related supporting documents and proper recognition in the financial statements.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of FOCI Fiber Optic Communications, Inc. as at and for the years ended December 31, 2025 and 2024.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Attachment 5

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Shu-Chien Pai	Li, Tien-Yi

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 26, 2026

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers Taiwan cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Attachment 5

	Assets	Notes	December 31, 2025			December 31, 2024		
				AMOUNT	%		AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$	1,411,972	45	$	1,469,741	50
1110	Financial assets at fair value through profit or loss - current	6(2)		19,700	1		43,050	1
1150	Notes receivable, net	6(5)		23	-		2,461	-
1170	Accounts receivable, net	6(5)		276,416	9		282,464	9
1200	Other receivables			4,835	-		10,558	-
1220	Current income tax assets			4,152	-		-	-
130X	Inventories	6(6)		408,706	13		287,857	10
1470	Other current assets			81,585	2		45,157	2
11XX	**Current Assets**			2,207,389	70		2,141,288	72
	Non-current assets							
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)		38,998	1		100,455	4
1535	Financial assets at amortised cost - non-current	6(4) and 8		2,939	-		2,939	-
1600	Property, plant and equipment	6(8)		647,424	21		485,106	16
1755	Right-of-use assets	6(9)		104,894	3		95,726	3
1760	Investment property, net	6(11)		1,920	-		49,724	2
1780	Intangible assets			22,375	1		31,831	1
1840	Deferred income tax assets	6(28)		55,560	2		50,786	2
1900	Other non-current assets	6(12)		75,580	2		9,373	-
15XX	**Non-current assets**			949,690	30		825,940	28
1XXX	**Total assets**		$	3,157,079	100	$	2,967,228	100

(Continued)

Attachment 5

Code	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(13)	$ 153,133	5	$ -	-
2130	Contract liabilities - current	6(21)	2,523	-	8,616	-
2150	Notes payable		2,669	-	1,905	-
2170	Accounts payable		190,965	6	199,716	7
2200	Other payables	6(14)	138,865	4	102,503	4
2230	Current income tax liabilities		-	-	4,436	-
2250	Current provisions		8,153	-	11,004	-
2280	Lease liabilities - current		19,346	1	16,185	1
2300	Other current liabilities		6,320	-	2,850	-
21XX	**Current Liabilities**		521,974	16	347,215	12
	Non-current liabilities					
2570	Deferred income tax liabilities	6(28)	2,703	-	5,612	-
2580	Lease liabilities - non-current		83,254	3	82,051	3
2600	Other non-current liabilities		56	-	1,714	-
25XX	**Non-current liabilities**		86,013	3	89,377	3
2XXX	**Total Liabilities**		607,987	19	436,592	15
	Equity					
	Share capital	6(17)				
3110	Share capital - common stock		1,036,406	33	1,036,406	35
	Capital surplus	6(18)				
3200	Capital surplus		1,463,952	47	1,439,857	49
	Retained earnings	6(19)				
3310	Legal reserve		136,341	4	136,341	5
3320	Special reserve		221,187	7	221,187	7
3350	Accumulated deficit		(84,040)	(3)	(81,442)	(3)
	Other equity interest	6(20)				
3400	Other equity interest		(224,754)	(7)	(221,713)	(8)
3XXX	**Total equity**		2,549,092	81	2,530,636	85
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 3,157,079	100	$ 2,967,228	100

Attachment 5

	Items	Notes				
			Year ended December 31			
			2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(21) and 7	$ 1,891,994	100	$ 1,363,877	100
5000	Operating costs	6(6)(26)(27)	(1,537,079)	(81)	(1,184,721)	(87)
5900	Net operating margin		354,915	19	179,156	13
	Operating expenses	6(26)(27)				
6100	Selling expenses		(31,917)	(2)	(29,349)	(2)
6200	General and administrative expenses		(110,261)	(6)	(96,395)	(7)
6300	Research and development expenses		(212,250)	(11)	(146,640)	(11)
6450	Expected credit gains (losses)	12(2)	1	-	(148)	-
6000	Total operating expenses		(354,427)	(19)	(272,532)	(20)
6900	Operating gain (loss)		488	-	(93,376)	(7)
	Non-operating income and expenses					
7100	Interest income	6(22)	19,261	1	13,496	1
7010	Other income	6(23)	18,746	1	12,150	1
7020	Other gains and losses	6(24)	(7,549)	-	15,465	1
7050	Finance costs	6(25)	(8,134)	(1)	(2,603)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	6(7)	-	-	(1,664)	-
7000	Total non-operating income and expenses		22,324	1	36,844	3
7900	**Profit (loss) before income tax**		22,812	1	(56,532)	(4)
7950	Income tax (expense) benefit	6(28)	(6,618)	-	8,260	-
8200	**Profit (loss) for the year**		$ 16,194	1	($ 48,272)	(4)
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gain (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)(20)	($ 46,017)	(2)	($ 47,501)	(3)
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(20)	4,981	-	19,350	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(20)(28)	(997)	-	(3,870)	-
8300	**Other comprehensive loss for the year**		($ 42,033)	(2)	($ 32,021)	(2)
8500	**Total comprehensive loss for the year**		($ 25,839)	(1)	($ 80,293)	(6)
	Profit (loss), attributable to:					
8610	Owners of parent		$ 16,194	1	($ 48,272)	(4)
	Comprehensive loss attributable to:					
8710	Owners of parent		($ 25,839)	(1)	($ 80,293)	(6)
	Basic earnings (loss) per share	6(29)				
9750	Basic earnings (loss) per share		$ 0.16		($ 0.48)	
	Diluted earnings (loss) per share	6(29)				
9850	Diluted earnings (loss) per share		$ 0.16		($ 0.48)	

Attachment 5

<u>2024</u>									
Balance at January 1, 2024		$ 986,406	$ 1,017,177	$ 135,135	$ 168,227	$ 54,166	($ 41,894)	($ 180,968)	$ 2,138,249
Loss for the year		-	-	-	-	(48,272)	-	-	(48,272)
Other comprehensive income (loss) for the year	6(20)	-	-	-	-	-	15,480	(47,501)	(32,021)
Total comprehensive income (loss)		-	-	-	-	(48,272)	15,480	(47,501)	(80,293)
Appropriation and distribution of 2023 earnings	6(19)								
Legal reserve		-	-	1,206	-	(1,206)	-	-	-
Special reserve		-	-	-	52,960	(52,960)	-	-	-
Cash capital increase	6(17)(18)	50,000	472,000	-	-	-	-	-	522,000
Cash dividends from capital surplus	6(18)(19)(30)	-	(49,320)	-	-	-	-	-	(49,320)
Disposal of financial assets or liabilities at fair value through other comprehensive income	6(3)(20)	-	-	-	-	(33,170)	-	33,170	-
Balance at December 31, 2024		$ 1,036,406	$ 1,439,857	$ 136,341	$ 221,187	($ 81,442)	($ 26,414)	($ 195,299)	$ 2,530,636
<u>2025</u>									
Balance at January 1, 2025		$ 1,036,406	$ 1,439,857	$ 136,341	$ 221,187	($ 81,442)	($ 26,414)	($ 195,299)	$ 2,530,636
Profit for the year		-	-	-	-	16,194	-	-	16,194
Other comprehensive income (loss) for the year	6(20)	-	-	-	-	-	3,984	(46,017)	(42,033)
Total comprehensive income (loss)		-	-	-	-	16,194	3,984	(46,017)	(25,839)
Disposal of financial assets or liabilities at fair value through other comprehensive income	6(3)(20)	-	-	-	-	(18,792)	-	18,792	-
Disposal of subsidiary	6(20)	-	-	-	-	-	20,200	-	20,200
Share-based payments	6(16)(18)	-	24,095	-	-	-	-	-	24,095
Balance at December 31, 2025		$ 1,036,406	$ 1,463,952	$ 136,341	$ 221,187	($ 84,040)	($ 2,230)	($ 222,524)	$ 2,549,092

Attachment 5

CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		$ 22,812	($ 56,532)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(8)(9)(11)(26)	107,288	100,351
Amortisation expense	6(26)	15,672	13,945
Expected credit (gains) losses	12(2)	(1)	148
Net gain on financial assets at fair value through profit or loss	6(2)(24)	(4,361)	(1,620)
Interest expense	6(25)	8,134	2,603
Interest income	6(22)	(19,261)	(13,496)
Dividend income	6(23)	(1,140)	(4,500)
Share-based payments	6(16)(18)(27)	24,095	-
Share of profit of associates accounted for using equity method	6(7)	-	1,664
(Gain) loss on disposals of property, plant and equipment	6(24)	(79)	524
Loss on disposals of investments	6(24)	-	4,500
Loss on disposals of subsidiary	4(3) and 6(24)	20,200	-
Reversal of impairment loss on property, plant and equipment	6(8)(24)	(15,615)	(689)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		2,438	(1,820)
Accounts receivable		6,049	(3,551)
Other receivables		2,540	326
Inventories		(120,849)	(43,046)
Other current assets		(36,431)	(30,262)
Changes in operating liabilities			
Contract liabilities - current		(6,093)	6,360
Notes payable		764	32
Accounts payable		(8,751)	82,717
Other payables		2,009	19,160
Provisions		(2,851)	5,804
Other current liabilities		3,470	391
Cash inflow generated from operations		39	83,009
Dividends received		1,140	4,500
Income taxes paid		(18,631)	(17,804)
Net cash flows (used in) from operating activities		(17,452)	69,705

(Continued)

Attachment 5

	Notes		
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at fair value through profit or loss		$ 27,711	$ 168,970
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	15,439	611
Acquisition of property, plant and equipment	6(30)	(154,220)	(181,620)
Proceeds from disposal of property, plant and equipment		169	353
Increase in guarantee deposits paid		(2,211)	-
Decrease in guarantee deposits paid		-	4,363
Acquisition of intangible assets		(6,211)	(34,997)
Decrease in other non-current assets		638	1,093
(Increase) decrease in prepayments for equipment		(64,634)	46,786
Interest received		18,492	13,260
Net cash flows (used in) from investing activities		(164,827)	18,819
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(31)	1,144,043	-
Decrease in short-term loans	6(31)	(990,910)	-
Decrease in guarantee deposits received	6(31)	(1,658)	-
Payments of lease liabilities	6(31)	(22,332)	(16,828)
Cash dividends paid	6(19)(30)	-	(49,293)
Cash capital increase	6(17)	-	522,000
Interest paid		(7,571)	(2,603)
Net cash flows from financing activities		121,572	453,276
Effect of exchange rate changes		2,938	14,901
Net (decrease) increase in cash and cash equivalents		(57,769)	556,701
Cash and cash equivalents at beginning of year		1,469,741	913,040
Cash and cash equivalents at end of year		$ 1,411,972	$ 1,469,741

Attachment 6

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR25000419

To the Board of Directors and Shareholders of FOCI Fiber Optic Communications, Inc.

Opinion

We have audited the accompanying parent company only balance sheets of FOCI Fiber Optic Communications, Inc. as at December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of FOCI Fiber Optic Communications, Inc. as at December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statements Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements* section of our report. We are independent of FOCI Fiber Optic Communications, Inc. in accordance with the Norm of Professional Ethics for Certified

Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Assessment of Inventory Valuation

Description of key audit matter

Refer to Note 4(13) for accounting policies on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses, and Note 6(6) for details of inventories. FOCI Fiber Optic Communications, Inc. is primarily engaged in researching, developing, manufacturing, selling of optical fiber communication. Due to the rapid innovations in communication technology and the highly competitive market, there was a higher risk of incurring inventory loss on decline in market value or having obsolete inventory. Given that the net realisable value used in the inventory valuation usually involved subjective judgement and estimation uncertainty, and the inventories were material to the financial statements, we considered the inventory valuation as one of the key audit matters.

How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures are as follows:

1. Obtained an understanding on the Company's operations and its industry characteristic to assess the reasonableness of the Company's policies on and procedures for allowance for inventory valuation losses.
2. Assessed and tested the reasonableness of the basis of net realisable value used by management and the accuracy of the net realisable value calculation.
3. Acquired management's individually identified obsolete or damaged inventory list, inspected the related supporting documents and proper recognition in the financial statements.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing FOCI Fiber Optic Communications, Inc.'s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate FOCI Fiber Optic Communications, Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing FOCI Fiber Optic Communications, Inc.'s financial reporting process.

Auditor's responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of FOCI Fiber Optic Communications, Inc.'s internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on FOCI Fiber Optic Communications, Inc.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within FOCI Fiber Optic Communications, Inc. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Shu-Chien Pai	Li, Tien-Yi

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 26, 2026

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers Taiwan cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Attachment 6

	Assets	Notes	December 31, 2025 AMOUNT		%	December 31, 2024 AMOUNT		%
	Current assets							
1100	Cash and cash equivalents	6(1)	$	1,240,344	41	$	1,265,014	43
1110	Financial assets at fair value through profit or loss - current	6(2)		19,700	1		43,050	2
1150	Notes receivable, net	6(5)		23	-		2,461	-
1170	Accounts receivable, net	6(5)		208,000	7		270,780	9
1180	Accounts receivable - related parties	6(5) and 7		42,777	2		51,477	2
1200	Other receivables			2,925	-		8,657	-
1210	Other receivables - related parties	7		943	-		-	-
130X	Inventories	6(6)		280,627	9		219,170	7
1470	Other current assets			26,339	1		28,972	1
11XX	**Current Assets**			1,821,678	61		1,889,581	64
	Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income	6(3)		38,998	1		100,455	3
1535	Non-current financial assets at amortised cost, net	6(4) and 8		2,939	-		2,939	-
1550	Investments accounted for using equity method	6(7)		332,990	11		318,438	11
1600	Property, plant and equipment	6(8)		584,232	19		435,866	15
1755	Right-of-use assets	6(9)		81,064	3		70,953	2
1760	Investment property - net	6(11)		1,920	-		49,724	2
1780	Intangible assets			21,882	1		31,394	1
1840	Deferred income tax assets	6(28)		55,560	2		50,786	2
1900	Other non-current assets	6(12) and 7		64,696	2		6,385	-
15XX	**Non-current assets**			1,184,281	39		1,066,940	36
1XXX	**Total assets**		$	3,005,959	100	$	2,956,521	100

(Continued)

Attachment 6

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(13)	$ 153,133	5	$ -	-
2130	Current contract liabilities	6(21)	2,523	-	8,616	-
2150	Notes payable		2,669	-	1,905	-
2170	Accounts payable		45,710	2	28,362	1
2180	Accounts payable - related parties	7	46,438	2	212,421	7
2200	Other payables	6(14) and 7	112,093	4	80,901	3
2250	Current provisions		8,153	-	11,004	1
2280	Current lease liabilities		5,242	-	2,737	-
2300	Other current liabilities		5,340	-	1,995	-
21XX	**Current Liabilities**		381,301	13	347,941	12
	Non-current liabilities					
2570	Deferred tax liabilities	6(28)	2,703	-	5,612	-
2580	Non-current lease liabilities		72,807	2	70,618	2
2600	Other non-current liabilities		56	-	1,714	-
25XX	**Non-current liabilities**		75,566	2	77,944	2
2XXX	**Total Liabilities**		456,867	15	425,885	14
	Equity					
	Share capital	6(17)				
3110	Share capital - common stock		1,036,406	34	1,036,406	35
	Capital surplus	6(18)				
3200	Capital surplus		1,463,952	49	1,439,857	49
	Retained earnings	6(19)				
3310	Legal reserve		136,341	5	136,341	5
3320	Special reserve		221,187	7	221,187	8
3350	Accumulated deficit		(84,040)	(3)	(81,442)	(3)
	Other equity interest	6(20)				
3400	Other equity interest		(224,754)	(7)	(221,713)	(8)
3XXX	**Total equity**		2,549,092	85	2,530,636	86
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 3,005,959	100	$ 2,956,521	100

Attachment 6

	Items	Notes	2025 AMOUNT	2025 %	2024 AMOUNT	2024 %
			Year ended December 31			
4000	Sales revenue	6(21)	$ 1,757,503	100	$ 1,314,337	100
5000	Operating costs	6(6)(26)(27)	(1,447,154)	(82)	(1,190,316)	(90)
5900	Net operating margin		310,349	18	124,021	10
5910	Unrealized (profit) loss from sales		(530)	-	1,172	-
5920	Realized profit on from sales		1,172	-	6	-
5950	Net operating margin		310,991	18	125,199	10
	Operating expenses	6(26)(27)				
6100	Selling expenses		(29,111)	(2)	(25,370)	(2)
6200	General and administrative expenses		(86,397)	(5)	(72,063)	(6)
6300	Research and development expenses		(212,251)	(12)	(146,640)	(11)
6450	Expected credit gains (losses)	12(2)	18	-	(6)	-
6000	Total operating expenses		(327,741)	(19)	(244,079)	(19)
6900	Operating loss		(16,750)	(1)	(118,880)	(9)
	Non-operating income and expenses					
7100	Interest income	6(22)	18,761	1	12,587	1
7010	Other income	6(23)	16,602	1	7,647	1
7020	Other gains and losses	6(24)	14,731	1	3,232	-
7050	Finance costs	6(25)	(7,057)	-	(1,387)	-
7070	Share of (loss) profit of associates and joint ventures accounted for using equity method	6(7)	(9,170)	(1)	28,658	2
7000	Total non-operating income and expenses		33,867	2	50,737	4
7900	**Profit (loss) before income tax**		17,117	1	(68,143)	(5)
7950	Income tax (expense) benefit	6(28)	(923)	-	19,871	1
8200	**Profit (loss) for the year**		$ 16,194	1	($ 48,272)	(4)
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)(20)	($ 46,017)	(2)	($ 47,501)	(3)
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(20)	4,981	-	19,350	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(20)(28)	(997)	-	(3,870)	-
8300	**Other comprehensive loss for the year**		($ 42,033)	(2)	($ 32,021)	(2)
8500	**Total comprehensive loss for the year**		($ 25,839)	(1)	($ 80,293)	(6)
	Basic earnings (loss) per share	6(29)				
9750	Basic earnings (loss) per share		$ 0.16		($ 0.48)	
	Diluted earnings (loss) per share	6(29)				
9850	Diluted earnings (loss) per share		$ 0.16		($ 0.48)	

Attachment 6

<u>2024</u>									
Balance at January 1, 2024		$ 986,406	$ 1,017,177	$ 135,135	$ 168,227	$ 54,166	($ 41,894)	($ 180,968)	$ 2,138,249
Loss for the year		-	-	-	-	(48,272)	-	-	(48,272)
Other comprehensive income (loss) for the year		-	-	-	-	-	15,480	(47,501)	(32,021)
Total comprehensive (loss)income		-	-	-	-	(48,272)	15,480	(47,501)	(80,293)
Appropriation and distribution of 2023 earnings	6(19)								
Legal reserve		-	-	1,206	-	(1,206)	-	-	-
Special reserve		-	-	-	52,960	(52,960)	-	-	-
Cash capital increase	6(17)(18)	50,000	472,000	-	-	-	-	-	522,000
Capital surplus used to issue cash	6(18)	-	(49,320)	-	-	-	-	-	(49,320)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	6(3)(20)	-	-	-	-	(33,170)	-	33,170	-
Balance at December 31, 2024		$ 1,036,406	$ 1,439,857	$ 136,341	$ 221,187	($ 81,442)	($ 26,414)	($ 195,299)	$ 2,530,636
<u>2025</u>									
Balance at January 1, 2025		$ 1,036,406	$ 1,439,857	$ 136,341	$ 221,187	($ 81,442)	($ 26,414)	($ 195,299)	$ 2,530,636
Profit for the year		-	-	-	-	16,194	-	-	16,194
Other comprehensive income (loss) for the year		-	-	-	-	-	3,984	(46,017)	(42,033)
Total comprehensive (loss) income		-	-	-	-	16,194	3,984	(46,017)	(25,839)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	6(13)(20)	-	-	-	-	(18,792)	-	18,792	-
Disposal of subidiary	6(20)	-	-	-	-	-	20,200	-	20,200
Share-based payments	6(16)(18)	-	24,095	-	-	-	-	-	24,095
Balance at December 31, 2025		$ 1,036,406	$ 1,463,952	$ 136,341	$ 221,187	($ 84,040)	($ 2,230)	($ 222,524)	$ 2,549,092

Attachment 6

CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		$ 17,117	($ 68,143)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(8)(9)(11)(26)	81,641	77,556
Amortisation expense	6(26)	15,585	13,866
Expected credit (gains) loss	12(2)	(18)	6
Net (gain) loss on financial assets at fair value through profit or loss	6(24)	(4,361)	(1,620)
Interest expense	6(25)	7,057	1,387
Interest income	6(22)	(18,761)	(12,587)
Dividend income	6(3)(23)	(1,140)	(4,500)
Share-based payments	6(16)(27)	24,095	-
Share of profits of subsidiaries, associates and joint ventures	6(7)	9,170	(28,658)
Gain on disposal of property, plant and equipment	6(24)	(131)	(101)
Losses on disposals of investments	6(24)	-	4,500
Reversal of impairment loss on property, plant and equipment	6(8)(24)	(15,615)	(689)
Unrealized (realized) gains with subsidiaries		(642)	(1,178)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		2,438	(1,820)
Accounts receivable		62,798	(7,396)
Accounts receivable - related parties		8,700	29,830
Other receivables		2,549	(2,966)
Other receivables - related parties		(269)	1,856
Inventories		(61,457)	(18,999)
Other current assets		2,633	(21,908)
Changes in operating liabilities			
Notes payable		764	32
Accounts payable		17,348	(15,419)
Accounts payable - related parties		(165,983)	(60,331)
Other payables		(1,220)	14,820
Current contract liabilities		(6,093)	6,360
Current provisions		(2,851)	5,804
Other current liabilities		3,345	444
Cash outflow generated from operations		(23,301)	(89,854)
Dividends received	6(3)	30,314	43,962
Income taxes paid		(4,654)	(7,968)
Net cash flows from (used in) operating activities		2,359	(53,860)

(Continued)

Attachment 6

CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at fair value through profit or loss		$ 27,711	$ 168,970
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	15,439	611
Impairment loss of investments accounted for using equity method		(104,294)	-
Proceeds from capital reduction of investments accounted for using equity method	6(7)	75,506	97,560
Acquisition of property, plant and equipment	6(30)	(132,007)	(168,030)
Proceeds from disposal of property, plant, and equipment		400	301
Acquisition of intangible assets		(6,073)	(38,017)
Increase in guarantee deposits paid		(49)	-
Decrease in guarantee deposits paid		-	187
(Increase) decrease in prepayments for equipment		(58,900)	46,786
Decrease in other non-current assets		638	1,093
Interest received		17,992	12,351
Net cash flows (used in) from investing activities		(163,637)	121,812
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(31)	1,144,043	-
Decrease in short-term loans	6(31)	(990,910)	-
Decrease in guarantee deposits received	6(31)	(1,658)	-
Payments of lease liabilities	6(31)	(8,374)	(3,449)
Cash dividends paid	6(19)(30)	-	(49,293)
Cash capital increase	6(17)	-	522,000
Interest paid		(6,493)	(1,387)
Net cash flows from financing activities		136,608	467,871
Net (decrease) increase in cash and cash equivalents		(24,670)	535,823
Cash and cash equivalents at beginning of year		1,265,014	729,191
Cash and cash equivalents at end of year		$ 1,240,344	$ 1,265,014

Attachment 7

2025 Statement of Loss Appropriation

Unit: NT$

Item	Amount
Beginning accumulated deficit	(81,441,475)
Less: Disposal of equity instruments measured at fair value through other comprehensive income	(18,792,808)
Add: Net income after tax for the year 2025	16,194,133
Unappropriated accumulated deficit for the period	**(84,040,150)**
Deficit compensation items:	
Add: Legal reserve appropriated to offset deficit	84,040,150
Unappropriated accumulated deficit at end of period	**0**

Attachment 8

Comparison Table of Amendments to the "Procedures for Acquisition or Disposal of Assets"

Article	Pre-amendment	Post-amendment	Reason
Article 2	Legal Basis These Procedures are established in accordance with Article 36-1 of the "Securities and Exchange Act" and the relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."	Legal Basis These Procedures are established in accordance with Article 36-1 of the "Securities and Exchange Act" (the "Act") and the relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."	Text revised accordingly
Article 7	Related Party Transactions I. (Omitted) II. Assessment and Operating Procedures: Where the Company acquires or disposes of real property or right-of-use assets from or to a related party, or engages in the acquisition or disposal of assets other than real property or right-of-use assets with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, except for the trading of domestic government bonds, bonds with repurchase or resale agreements, or subscription to or redemption of money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the Audit Committee and the Board of Directors for approval before entering into the transaction contract or making any payment: (I) The purpose, necessity, and expected benefits of the acquisition or disposal of assets. (II) The reasons for selecting the related party as the transaction counterparty. (III) In the case of acquiring real property or right-of-use assets from a related party, relevant information for assessing the reasonableness of the proposed transaction terms in accordance with Subparagraphs (I) and (IV), Paragraph III of this Article.	Related Party Transactions I. (Omitted) II. Assessment and Operating Procedures: Where the Company acquires or disposes of real property or right-of-use assets from or to a related party, or engages in the acquisition or disposal of assets other than real property or right-of-use assets with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, except for the trading of domestic government bonds, bonds with repurchase or resale agreements, or subscription to or redemption of money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the Board of Directors for approval and recognized by the Supervisors before entering into the transaction contract or making any payment: (I) The purpose, necessity, and expected benefits of the acquisition or disposal of assets. (II) The reasons for selecting the related party as the transaction counterparty. (III) In the case of acquiring real property or right-of-use assets from a related party, relevant information for assessing the reasonableness of the proposed transaction terms in accordance with Subparagraphs	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

Attachment 8

Article	Pre-amendment	Post-amendment	Reason
	(IV) The original acquisition date and price by the related party, the transaction counterparty, and their relationship with the Company and the related party. (V) A monthly cash flow projection for the one-year period commencing from the anticipated contract month, together with an assessment of the necessity of the transaction and the reasonableness of the use of funds. (VI) An appraisal report issued by a professional appraiser obtained in accordance with applicable regulations, or an opinion issued by a certified public accountant. (VII)The restrictions and other material terms and conditions of the transaction. Where the Company or a subsidiary that is not a domestic public company engages in the aforementioned transactions, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information set forth in the preceding paragraph to the shareholders' meeting for approval before entering into the transaction contract or making any payment. This requirement shall not apply to transactions between the Company and its parent or subsidiaries, or among its subsidiaries. The calculation of the transaction amount referred to above shall be conducted in accordance with Subparagraph VII, Paragraph I, Article 12, and the term "within one year" shall be calculated retrospectively for a one-year period based on the date of occurrence of the current transaction. Any portion that has already been submitted to and approved by the <u>Audit Committee, the Board of Directors, and the shareholders' meeting</u> in accordance with these Regulations shall be excluded from the calculation.	(I) and (IV), Paragraph III of this Article. (IV) The original acquisition date and price by the related party, the transaction counterparty, and their relationship with the Company and the related party. (V) A monthly cash flow projection for the one-year period commencing from the anticipated contract month, together with an assessment of the necessity of the transaction and the reasonableness of the use of funds. (VI) An appraisal report issued by a professional appraiser obtained in accordance with applicable regulations, or an opinion issued by a certified public accountant. (VII)The restrictions and other material terms and conditions of the transaction. Where the Company or a subsidiary that is not a domestic public company engages in the aforementioned transactions, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information set forth in the preceding paragraph to the shareholders' meeting for approval before entering into the transaction contract or making any payment. This requirement shall not apply to transactions between the Company and its parent or subsidiaries, or among its subsidiaries. The calculation of the transaction amount referred to above shall be conducted in accordance with Subparagraph VII, Paragraph I, Article 12, and the term "within one year" shall be calculated retrospectively for a one-year period based on the date of occurrence of the current transaction. Any portion that has already been submitted to and approved by the <u>shareholders' meeting and the Board of Directors and recognized by the supervisors</u> in accordance	

Attachment 8

Article	Pre-amendment	Post-amendment	Reason
	Where the Company engages in the following transactions with 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 authorizes the Chairman to make decisions within an amount not exceeding NT$100 million, with such decisions to be subsequently submitted to the most recent Board meeting for ratification: 1. Acquisition or disposal of equipment or right-of-use assets for operating use. 2. Acquisition or disposal of right-of-use assets of real property for operating use. When matters are submitted to the Board of Directors for discussion pursuant to the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. III. Assessment of the Reasonableness of Transaction Costs (Omitted) (V) Where the Company acquires real property or right-of-use assets from a related party, and the results of the evaluation conducted in accordance with Subparagraphs (I), (II), (III), and (IV) of Paragraph III of this Article are all lower than the transaction price, the following actions shall be taken: 1. The Company shall appropriate a special reserve in accordance with Paragraph I, Article 41 of the Securities and Exchange Act for the difference between the transaction price of the real property	with these Regulations shall be excluded from the calculation. Where the Company engages in the following transactions with 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 authorizes the Chairman to make decisions within an amount not exceeding NT$100 million, with such decisions to be subsequently submitted to the most recent Board meeting for ratification: I. Acquisition or disposal of equipment or right-of-use assets for operating use. II. Acquisition or disposal of right-of-use assets of real property for operating use. When matters are submitted to the Board of Directors for discussion pursuant to the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. III. Assessment of the Reasonableness of Transaction Costs (Omitted) (V) Where the Company acquires real property or right-of-use assets from a related party, and the results of the evaluation conducted in accordance with Subparagraphs (I), (II), (III), and (IV) of Paragraph III of this Article are all lower than the transaction price, the following actions shall be taken: 1. The Company shall appropriate a special reserve in accordance with Paragraph I, Article 41 of the	

Attachment 8

Article	Pre-amendment	Post-amendment	Reason
	or right-of-use assets and the assessed cost, and such reserve shall not be distributed or used for capital increase by issuing new shares. If an investor adopting the equity method to account for its investment in the Company is a public company, it shall also appropriate a special reserve in proportion to its shareholding in accordance with Paragraph I, Article 41 of the Securities and Exchange Act. 2. The Independent Director members of the Audit Committee shall act in accordance with Article 218 of the Company Act. 3. The handling status of Subparagraph (V), Items 1 and 2 of Paragraph III of this Article shall be submitted to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and the prospectus. Where the Company or a public company that accounts for its investment in the Company using the equity method has appropriated a special reserve in accordance with the foregoing provisions, such special reserve shall not be utilized unless the asset acquired or leased at a higher price has been recognized for impairment loss, disposed of, or the lease has been terminated, or appropriate compensation has been made or the original condition has been restored, or other evidence confirms that there is no unreasonableness, and such utilization has been approved by the Financial Supervisory Commission, Executive Yuan.	Securities and Exchange Act for the difference between the transaction price of the real property or right-of-use assets and the assessed cost, and such reserve shall not be distributed or used for capital increase by issuing new shares. If an investor adopting the equity method to account for its investment in the Company is a public company, it shall also appropriate a special reserve in proportion to its shareholding in accordance with Paragraph I, Article 41 of the Securities and Exchange Act. 2. Supervisors shall act in accordance with Article 218 of the Company Act. Where an Audit Committee has been established in accordance with the Securities and Exchange Act, the provisions of the preceding sentence shall apply mutatis mutandis to the Independent Directors of the Audit Committee. 3. The handling status of Subparagraph (V), Items 1 and 2 of Paragraph III of this Article shall be submitted to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and the prospectus. Where the Company or a public company that accounts for its investment in the Company using the equity method has appropriated a special reserve in accordance with the foregoing provisions, such special reserve shall not be utilized unless the asset acquired or leased at a higher price has been recognized for impairment loss, disposed of, or the lease has been terminated, or appropriate compensation has been made or the	

Attachment 8

<table>
<tr><th>Article</th><th>Pre-amendment</th><th>Post-amendment</th><th>Reason</th></tr>
<tr><td></td><td>Where the Company acquires real property or right-of-use assets from a related party, and there is other evidence indicating that the transaction does not conform to normal business practices, the provisions of this Subparagraph shall also apply.

(Omitted)</td><td>original condition has been restored, or other evidence confirms that there is no unreasonableness, and such utilization has been approved by the Financial Supervisory Commission, Executive Yuan.

Where the Company acquires real property or right-of-use assets from a related party, and there is other evidence indicating that the transaction does not conform to normal business practices, the provisions of this Subparagraph shall also apply.

(Omitted)</td><td></td></tr>
<tr><td>Article 8</td><td>Procedures for acquiring or disposing of real property, equipment or their right-to-use assets, securities, intangible assets or their right-to-use assets, or membership certificates
(Omitted)
II. Procedure for Determining Transaction Terms and Authorized Limits
(I) In the acquisition or disposal of real property, equipment, or right-of-use assets, the transaction terms and price shall be determined with reference to publicly announced current values, appraised values, and actual transaction prices of neighboring properties, and shall be conducted by means of price inquiry, comparison, negotiation, or tendering, as applicable. The acquisition or disposal of real estate, equipment, or right-of-use assets shall be assessed by the implementing unit. Transactions amounting to NT$30 million (inclusive) or more shall be submitted to the Board of Directors for approval before implementation. However, the Chairman is authorized</td><td>Procedures for acquiring or disposing of real property, equipment or their right-to-use assets, securities, intangible assets or their right-to-use assets, or membership certificates
(Omitted)
II. Procedure for Determining Transaction Terms and Authorized Limits
(I) In the acquisition or disposal of real property, equipment, or right-of-use assets, the transaction terms and price shall be determined with reference to publicly announced current values, appraised values, and actual transaction prices of neighboring properties, and shall be conducted by means of price inquiry, comparison, negotiation, or tendering, as applicable. The acquisition or disposal of real estate, equipment, or right-of-use assets shall be assessed by the implementing unit. Transactions amounting to NT$30 million (inclusive) or more shall be submitted to the Board of Directors for approval before implementation. However, the Chairman is authorized</td><td>In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.</td></tr>
</table>

Attachment 8

Article	Pre-amendment	Post-amendment	Reason
	to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board meeting for ratification. (II) In the acquisition or disposal of securities conducted on a centralized securities exchange or at the business premises of a securities firm, the responsible unit shall determine the transaction based on prevailing market conditions. For securities not traded on a centralized securities exchange or at the business premises of a securities firm, the most recent financial statements of the target company, audited or reviewed by a certified public accountant, shall be obtained as a reference for evaluating the transaction price. The acquisition or disposal of securities with a transaction amount of NT$30 million (inclusive) or more shall be subject to approval by the Board of Directors before implementation. However, the Chairman is authorized to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board meeting for ratification. (III) In the acquisition or disposal of membership certificates, the transaction terms and price shall be determined with reference to fair market value, and an analysis report shall be prepared and submitted to the President for approval. The transaction amount shall not exceed NT$30 million. (IV) In the acquisition or disposal of intangible assets or right-of-use assets, the transaction terms and price shall be determined with reference to an expert appraisal report or fair market value, and an analysis	to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board meeting for ratification. (II) In the acquisition or disposal of securities conducted on a centralized securities exchange or at the business premises of a securities firm, the responsible unit shall determine the transaction based on prevailing market conditions. For securities not traded on a centralized securities exchange or at the business premises of a securities firm, the most recent financial statements of the target company, audited or reviewed by a certified public accountant, shall be obtained as a reference for evaluating the transaction price. The acquisition or disposal of securities with a transaction amount of NT$30 million (inclusive) or more shall be subject to approval by the Board of Directors before implementation. However, the Chairman is authorized to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board meeting for ratification. (III) In the acquisition or disposal of membership certificates, the transaction terms and price shall be determined with reference to fair market value, and an analysis report shall be prepared and submitted to the President for approval. The transaction amount shall not exceed NT$30 million. (IV) In the acquisition or disposal of intangible assets or right-of-use assets, the transaction terms and price shall be determined with reference to an expert appraisal report or fair market value, and an analysis	

Article	Pre-amendment	Post-amendment	Reason
	report shall be prepared and submitted to the Chairman for approval. The transaction amount shall not exceed 15% of the Company’s net worth or NT$300 million. Where the transaction amount exceeds NT$30 million (inclusive), it shall be approved by the Chairman and reported to the next Board meeting for recordation. (V) Where the Company’s acquisition or disposal of assets is required to be approved by the Board of Directors in accordance with the prescribed procedures or applicable laws and regulations, and the Company has established Independent Directors pursuant to the Securities and Exchange Act, when such transactions are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. (Omitted)	report shall be prepared and submitted to the Chairman for approval. The transaction amount shall not exceed 15% of the Company’s net worth or NT$300 million. Where the transaction amount exceeds NT$30 million (inclusive), it shall be approved by the Chairman and reported to the next Board meeting for recordation. (V) Where the Company’s acquisition or disposal of assets is required to be approved by the Board of Directors in accordance with the prescribed procedures or applicable laws and regulations, and any Director expresses dissent with a record or written statement, the Company shall also submit the dissenting opinions of the Directors to each Supervisor. In addition, where the Company has established Independent Directors pursuant to the Securities and Exchange Act, when such transactions are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. (Omitted)	
Article 10	Procedures for acquiring or disposing of derivatives (Omitted) III. Internal Audit System (I) Internal auditors shall regularly assess the adequacy of internal controls over derivatives transactions. They shall also conduct monthly audits of the trading department’s compliance with the Company's Procedures for Acquisition or Disposal of Derivative Products, analyze the transaction cycle, and prepare	Procedures for acquiring or disposing of derivatives (Omitted) III. Internal Audit System (I) Internal auditors shall regularly assess the adequacy of internal controls over derivatives transactions. They shall also conduct monthly audits of the trading department’s compliance with the Company's Procedures for Acquisition or Disposal of Derivative Products, analyze the transaction cycle, and prepare	In alignment with the Company’s establishment of an Audit Committee in lieu of Supervisors, certain

Article	Pre-amendment	Post-amendment	Reason
	audit reports. In the event of any material violation, a written notice shall be submitted to the Audit Committee. (II) Internal auditors shall, by the end of February of the following year, report the audit reports together with the annual internal audit results to the Securities and Futures Institute, and shall, by no later than the end of May of the following year, report the status of improvements on any irregularities to the Securities and Futures Institute for recordation. IV. Principles for supervision and management by the Board of Directors in engaging in derivatives transactions (I) The Board of Directors shall designate senior management personnel to continuously monitor and control the risks associated with derivatives transactions. The management principles are as follows: 1. Regularly assess whether the current risk management measures are appropriate and ensure that they are implemented in accordance with these Regulations and the Company's Procedures for Acquisition or Disposal of Derivative Products. 2. Supervise transaction activities and profit and loss conditions. In the event of any abnormality, necessary response measures shall be taken and immediately reported to the Board of Directors. The Company has established Independent Directors, such matters shall be attended by Independent Directors at the Board meeting and their opinions shall be expressed. (II) Regularly evaluate whether the performance of derivatives transactions is consistent with the	audit reports. In the event of any material violation, a written notice shall be submitted to the Supervisors. Where the Company has established Independent Directors in accordance with the Securities and Exchange Act, matters required to be notified to the Supervisors pursuant to the preceding paragraph shall also be notified in writing to the Independent Directors. Where the Company has established an Audit Committee in accordance with the Securities and Exchange Act, the provisions relating to Supervisors as set forth above shall apply mutatis mutandis to the Audit Committee. (II) Internal auditors shall, by the end of February of the following year, report the audit reports together with the annual internal audit results to the Securities and Futures Institute, and shall, by no later than the end of May of the following year, report the status of improvements on any irregularities to the Securities and Futures Institute for recordation. IV. Principles for supervision and management by the Board of Directors in engaging in derivatives transactions (I) The Board of Directors shall designate senior management personnel to continuously monitor and control the risks associated with derivatives transactions. The management principles are as follows: 1. Regularly assess whether the current risk management measures are appropriate and ensure that they are implemented in accordance with these Regulations and the Company's Procedures for Acquisition or Disposal of Derivative Products.	provisions have been revised accordingly.

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Article	Pre-amendment	Post-amendment	Reason
	Company's established operating strategies and whether the associated risks are within the Company's acceptable risk tolerance. (III) Where the Company engages in derivatives transactions and authorizes relevant personnel to handle such transactions in accordance with the prescribed Procedures for Acquisition or Disposal of Derivative Products, such transactions shall be subsequently reported to the most recent Board meeting. (IV) When engaging in derivatives transactions, the Company shall maintain a register for recordation, in which the types and amounts of derivatives transactions, the dates of approval by the Board of Directors, and the matters required to be carefully evaluated under this Article shall be duly recorded for reference.	2. Supervise transaction activities and profit and loss conditions. In the event of any abnormality, necessary response measures shall be taken and immediately reported to the Board of Directors. Where the Company has established Independent Directors, such matters shall be attended by Independent Directors at the Board meeting and their opinions shall be expressed. (II) Regularly evaluate whether the performance of derivatives transactions is consistent with the Company's established operating strategies and whether the associated risks are within the Company's acceptable risk tolerance. (III) Where the Company engages in derivatives transactions and authorizes relevant personnel to handle such transactions in accordance with the prescribed Procedures for Acquisition or Disposal of Derivative Products, such transactions shall be subsequently reported to the most recent Board meeting. (IV) When engaging in derivatives transactions, the Company shall maintain a register for recordation, in which the types and amounts of derivatives transactions, the dates of approval by the Board of Directors, and the matters required to be carefully evaluated under this Article shall be duly recorded for reference.	
Article 12	Procedures for Information Disclosure I. Items Subject to Public Announcement and Filing and Applicable Thresholds (I) Acquisition or disposal of real property or right-of-use assets from a related party, or acquisition or	Procedures for Information Disclosure I. Items Subject to Public Announcement and Filing and Applicable Thresholds (I) Acquisition or disposal of real property or right-of-use assets from a related party, or acquisition or	In alignment with the amendments to Article 31 of the

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Article	Pre-amendment	Post-amendment	Reason
	disposal of assets other than real property or right-of-use assets with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more. However, this shall not apply to the trading of domestic government bonds, bonds with repurchase or resale agreements, or the subscription to or redemption of money market funds issued by domestic securities investment trust enterprises. (II) Mergers, demergers, acquisitions, or transfers of shares. (III) Losses from derivatives transactions reaching the maximum limit on total or individual contract losses as specified in the relevant procedures. (IV) Where the asset acquired or disposed of is equipment or right-of-use assets for operating use, the counterparty is not a related party, and the transaction amount meets any of the following thresholds: 1. Where the Company's paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more. 2. Where the Company's paid-in capital is NT$10 billion or more but less than NT$50 billion, the transaction amount reaches NT$1 billion or more. 3. Where the Company's paid-in capital is NT$50 billion or more, the transaction amount reaches 5% or more of the Company's paid-in capital. (Omitted)	disposal of assets other than real property or right-of-use assets with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more. However, this shall not apply to the trading of domestic government bonds, bonds with repurchase or resale agreements, or the subscription to or redemption of money market funds issued by domestic securities investment trust enterprises. (II) Mergers, demergers, acquisitions, or transfers of shares. (III) Losses from derivatives transactions reaching the maximum limit on total or individual contract losses as specified in the relevant procedures. (IV) Where the asset acquired or disposed of is equipment or right-of-use assets for operating use, the counterparty is not a related party, and the transaction amount meets any of the following thresholds: 1. Where the Company's paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more. 2. Where the Company's paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more. (Omitted)	"Regulations Governing the Acquisition and Disposal of Assets by Public Companies" issued by the Financial Supervisory Commission.
Article 15	Implementation and Amendments The Company's "Procedures for Acquisition or Disposal of Assets" shall be approved by the Audit Committee and the Board	Implementation and Amendments The Company's "Procedures for Acquisition or Disposal of Assets" shall be approved by the Board of Directors, submitted to	In alignment with the Company's establishment

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Article	Pre-amendment	Post-amendment	Reason
	of Directors and submitted to the shareholders' meeting for approval; the same shall apply to any amendments thereto. Where the Company has established Independent Directors in accordance with the Securities and Exchange Act, when the "Procedures for Acquisition or Disposal of Assets" are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.	the Supervisors, and then submitted to the shareholders' meeting for approval; the same shall apply to any amendments thereto. Where any Director expresses dissent with a record or written statement, the Company shall also submit the dissenting opinions of the Directors to each Supervisor. In addition, where the Company has established Independent Directors in accordance with the Securities and Exchange Act, when the "Procedures for Acquisition or Disposal of Assets" are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. Where the Company establishes an Audit Committee in lieu of Supervisors, the provisions of these Procedures relating to Supervisors shall cease to apply, and the Audit Committee and its Independent Director members shall exercise their duties in accordance with applicable laws and regulations.	of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

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Comparison Table of Amendments to the "Procedures for Lending Funds to Other Parties"

Article	Pre-amendment	Post-amendment	Reason
Article 1	Purpose and Legal Basis These Procedures for Lending Funds to Other Parties (the "Procedures") are established by the Company for the purpose of managing matters relating to the lending of funds to others, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", for compliance therewith.	Purpose and Legal Basis These Procedures for Lending Funds to Other Parties (the "Procedures") are established by the Company for the purpose of managing matters relating to the lending of funds to others, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" (the "Regulations"), for compliance therewith.	Text revised accordingly
Article 2	Counterparties for Lending of Funds and Evaluation Criteria Pursuant to the Company Act, the Company's funds shall not be loaned to any shareholder or any other person except under the following circumstances: (I) Companies or firms having business dealings with the Company; the term "business dealings" as used herein refers to entities that have purchase or sales transactions with the Company. (II) Companies or firms having a short-term financing need with the Company. The amount of financing shall not exceed 40% of the net worth of the borrowing entity. The term "short-term" as used herein refers to a period of one year or one operating cycle, whichever is longer. The amount of financing refers to the cumulative outstanding balance of the Company's short-term financing.	Counterparties for Lending of Funds and Evaluation Criteria Pursuant to the Company Act, the Company's funds shall not be loaned to any shareholder or any other person except under the following circumstances: (I) Companies or firms having business dealings with the Company; the term "business dealings" as used herein refers to entities that have purchase or sales transactions with the Company. (II) Companies or firms having a short-term financing need with the Company. The amount of financing shall not exceed 40% of the net worth of the borrowing entity. The term "short-term" as used herein refers to a period of one year or one operating cycle, whichever is longer. The amount of financing refers to the cumulative outstanding balance of the Company's short-term financing. The term "net worth" as used herein refers to the equity attributable to owners of the parent company as presented in the balance sheet in accordance with the Regulations	Definitions of terms are summarized in Article 3.

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Article	Pre-amendment	Post-amendment	Reason
		Governing the Preparation of Financial Reports by Securities Issuers.	
Article 3	Definitions of terms The terms "subsidiary" and "parent company" as used in these Procedures shall be determined in accordance with the provisions of the "Regulations Governing the Preparation of Financial Reports by Securities Issuers". The term "net worth" as used in these Procedures refers to the equity attributable to owners of the parent company as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "public announcement and filing" as used in these Procedures refers to the entry of information into the reporting system designated by the Financial Supervisory Commission.	The terms "subsidiary" and "parent company" as used in these Procedures shall be determined in accordance with the provisions of the "Regulations Governing the Preparation of Financial Reports by Securities Issuers". The term "public announcement and filing" as used in these Procedures refers to the entry of information into the reporting system designated by the Financial Supervisory Commission.	Definitions of terms are summarized in Article 3.
Article 4	Total Amount of Funds Available for Lending and Limits for Individual Counterparties Except for subsidiaries, the total amount of funds available for lending shall not exceed 40% of the Company's current net worth. Other than this, the limits may be further categorized into the following two circumstances: (Omitted)	Total Amount of Funds Available for Lending and Limits for Individual Counterparties Except for subsidiaries, the total amount of funds available for lending shall not exceed 40% of the Company's current net worth. Other than the Company, the limits may be further categorized into the following two circumstances: (Omitted)	Text revised accordingly
Article 6	Procedures for Handling and Review I. Application Procedures (I) The borrower shall provide basic information and financial data and complete an application form specifying the purpose of the loan, loan term, and amount, and submit it to the Company's finance	Procedures for Handling and Review I. Application Procedures (I) The borrower shall provide basic information and financial data and complete an application form specifying the purpose of the loan, loan term, and amount, and submit it to the Company's finance department. The review procedures conducted by the	Supplemented with the assessment of collateral acquisition and certain textual revisions.

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Article	Pre-amendment	Post-amendment	Reason
	department. The review procedures conducted by the finance department shall include an assessment of the necessity and reasonableness of the lending of funds, credit investigation and risk evaluation of the borrower, the impact on the Company's operational risks, financial condition, and shareholders' equity, as well as whether collateral should be obtained and the evaluation of the value of such collateral. (II) Where funds are loaned due to business dealings, the responsible personnel of the Company's finance department shall assess whether the loan amount is commensurate with the volume of such business transactions. Where funds are loaned due to short-term financing needs, the reasons and circumstances justifying the loan shall be specified, and a credit investigation shall be conducted. Relevant information, together with the proposed lending terms, shall be submitted to the head of the finance department, the President, and the Chairman. Upon prudent evaluation as to whether the requirements of these Procedures are met, the proposal, along with the evaluation results, shall be submitted to the Board of Directors for approval prior to implementation, and such authority shall not be delegated to any other person. (III) Loans between the Company and its subsidiaries, or between subsidiaries, shall be subject to a board resolution as stipulated in the preceding paragraph, and the Chairman may be authorized to disburse or recycle funds to the same lender within a specified limit and a	finance department shall include an assessment of the necessity and reasonableness of the lending of funds, credit investigation and risk evaluation of the borrower, the impact on the Company's operational risks, financial condition, and shareholders' equity. (II) Where funds are loaned due to business dealings, the responsible personnel of the Company's finance department shall assess whether the loan amount is commensurate with the volume of such business transactions. Where funds are loaned due to short-term financing needs, the reasons and circumstances justifying the loan shall be specified, and a credit investigation shall be conducted. Relevant information, together with the proposed lending terms, shall be submitted to the head of the finance department, the President, and the Chairman. Upon prudent evaluation as to whether the requirements of these Procedures are met, the proposal, along with the evaluation results, shall be submitted to the Board of Directors for approval prior to implementation, and such authority shall not be delegated to any other person. (III) Loans between the Company and its subsidiaries, or between subsidiaries, shall be subject to a board resolution as stipulated in the preceding paragraph, and the Chairman may be authorized to disburse or recycle funds to the same lender within a specified limit and a period not exceeding one year as resolved by the Board of Directors. The aforementioned "specified limit", except as provided in Article 4, means that the authorized	

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Article	Pre-amendment	Post-amendment	Reason
	period not exceeding one year as resolved by the Board of Directors. The aforementioned "specified limit", except as provided in Article 4, means that the authorized loan amount from the Company to a single enterprise shall not exceed 10% of the Company's most recent net asset value. (IV) The Company has appointed Independent Directors. When lending funds to others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board Meeting Minutes. (Omitted)	loan amount from the Company to a single enterprise shall not exceed 10% of the Company's most recent net asset value. (IV) Where the Company has appointed Independent Directors, when lending funds to others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board Meeting Minutes. (Omitted)	
Article 7	Repayment After the loan has been disbursed, the Company shall regularly monitor the borrower's and guarantor's financial condition, business operations, and credit status. Where collateral has been provided, the Company shall also monitor any changes in its value. Two months prior to the loan maturity date, the borrower shall be notified to repay the principal and interest upon maturity or to apply for an extension. I. Upon repayment of the loan at maturity, the borrower shall first calculate the interest payable and repay the principal together with the interest in full before any promissory notes, IOUs, or other debt repayment instruments may be cancelled and returned to the borrower. II. Where the borrower applies for cancellation of a mortgage,	Repayment After the loan has been disbursed, the Company shall regularly monitor the borrower's and guarantor's financial condition, business operations, and credit status. Where collateral has been provided, the Company shall also monitor any changes in its value. Two months prior to the loan maturity date, the borrower shall be notified to repay the principal and interest upon maturity or to apply for an extension. I. Upon repayment of the loan at maturity, the borrower shall first calculate the interest payable and repay the principal together with the interest in full before any promissory notes, IOUs, or other debt repayment instruments may be cancelled and returned to the borrower. II. Where the borrower applies for cancellation of a mortgage,	Text revised accordingly

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Article	Pre-amendment	Post-amendment	Reason
	the Company shall first verify whether any outstanding loan balance remains in order to determine whether to approve the cancellation of the mortgage.	the Company shall first verify whether any outstanding loan balance remains in order to determine whether to approve the cancellation of the mortgage.	
Article 8	Subsequent Control Measures for Outstanding Loans and Procedures for Handling Overdue Receivables: I. Extension (Omitted) II. Registration and Safekeeping of Cases (I) When the Company engages in lending of funds, it shall establish a register for recordation, in which the borrower, loan amount, date of approval by the Board of Directors, date of loan disbursement, and matters required to be carefully evaluated in accordance with these Procedures shall be duly recorded for reference. (II) The personnel responsible for handling loan cases shall, after disbursement, organize the relevant documents, including contracts, promissory notes and other debt instruments, collateral documents, insurance policies, and correspondence, in proper order, place them into a safekeeping envelope, and indicate on the envelope the contents and the name of the client. The envelope shall then be submitted to the head of the finance department for inspection. Upon confirmation of accuracy, the envelope shall be sealed, and both parties shall sign or affix their seals in the safekeeping register before storage. (III) The Company's internal auditors shall audit the Procedures for Lending Funds to Other Parties and their implementation at least on a quarterly basis and prepare	Subsequent Control Measures for Outstanding Loans and Procedures for Handling Overdue Receivables: I. Extension (Omitted) II. Registration and Safekeeping of Cases (I) When Company engages in lending of funds, it shall establish a register for recordation, in which the borrower, loan amount, date of approval by the Board of Directors, date of loan disbursement, and matters required to be carefully evaluated in accordance with these Procedures shall be duly recorded for reference. (II) The personnel responsible for handling loan cases shall, after disbursement, organize the relevant documents, including contracts, promissory notes and other debt instruments, collateral documents, insurance policies, and correspondence, in proper order, place them into a safekeeping envelope, and indicate on the envelope the contents and the name of the client. The envelope shall then be submitted to the head of the finance department for inspection. Upon confirmation of accuracy, the envelope shall be sealed, and both parties shall sign or affix their seals in the safekeeping register before storage. (III) The Company's internal auditors shall audit the Procedures for Lending Funds to Other Parties and	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

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Article	Pre-amendment	Post-amendment	Reason
	written records. In the event of any material violation, a written notice shall be submitted to the Audit Committee. (IV) Where, due to changes in circumstances, a borrower no longer meets the requirements of these Procedures or the outstanding loan balance exceeds the prescribed limit, the internal auditors shall urge the finance department to establish a deadline for the recovery of the excess loan amount. The remediation plan shall be submitted to the Audit Committee and reported to the Board of Directors, and corrective actions shall be completed in accordance with the prescribed timeline. (V) The responsible personnel shall, by the 5th of each month, prepare a detailed statement of the Company's lending of funds to other companies for the preceding month and submit it for review through the appropriate hierarchical levels.	their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, a written notice shall be submitted to the Supervisors. (IV) Where, due to changes in circumstances, a borrower no longer meets the requirements of these Procedures or the outstanding loan balance exceeds the prescribed limit, the internal auditors shall urge the finance department to establish a deadline for the recovery of the excess loan amount. The remediation plan shall be submitted to each supervisor, and corrective actions shall be completed in accordance with the prescribed timeline. (V) The responsible personnel shall, by the 5th of each month, prepare a detailed statement of the Company's lending of funds to other companies for the preceding month and submit it for review through the appropriate hierarchical levels.	
Article 9	Control Procedures for Subsidiaries' Lending of Funds to Others I. Where a subsidiary of the Company intends to lend funds to others, it shall establish its own Procedures for Lending Funds to Other Parties and conduct such lending in accordance herewith; provided, however, that the net worth shall be calculated based on the subsidiary's net worth. II. Each subsidiary shall, prior to the 5th of each month, prepare a detailed statement of its lending of funds to other companies for the preceding month and submit it to the Company for review.	Control Procedures for Subsidiaries' Lending of Funds to Others I. Where a subsidiary of the Company intends to lend funds to others, it shall establish these Procedures and conduct such lending in accordance herewith; provided, however, that the net worth shall be calculated based on the subsidiary's net worth. II. Each subsidiary shall, prior to the 5th of each month, prepare a detailed statement of its lending of funds to other companies for the preceding month and submit it to the Company for review.	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions

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Article	Pre-amendment	Post-amendment	Reason
	III. The internal auditors of each subsidiary shall also audit the Procedures for Lending Funds to Other Parties and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to the Audit Committee. IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Lending Funds to Other Parties. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the Audit Committee.	III. The internal auditors of each subsidiary shall also audit the Procedures for Lending Funds to Other Parties and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to each Supervisor. IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Lending Funds to Other Parties. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the President.	have been revised accordingly.
Article 10	Information Disclosure I. The Company shall, by the 10th of each month, publicly announce and file the outstanding balance of loans of funds of the Company and its subsidiaries for the preceding month. II. Where the Company's outstanding balance of loans of funds meets any of the following thresholds, it shall make a public announcement and filing within two days from the date of occurrence of the event: (I) The outstanding balance of loans of funds by the Company and its subsidiaries to others reaches 20% or more of the Company's net worth as shown in its most recent financial statements. (II) The outstanding balance of loans of funds by the Company and its subsidiaries to a single enterprise	Information Disclosure I. The Company shall, by the 10th of each month, input the outstanding balance of loans of funds of the Company and its subsidiaries for the preceding month into the Market Observation Post System (MOPS). II. Where the Company's outstanding balance of loans of funds meets any of the following thresholds, it shall, within two days from the date of occurrence of the event, input the relevant information into the Market Observation Post System (MOPS): (I) The outstanding balance of loans of funds by the Company and its subsidiaries to others reaches 20% or more of the Company's net worth as shown in its most recent financial statements.	As the definition of "public announcement and filing" has been set forth in Article 3, certain provisions have been simplified accordingly.

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Article	Pre-amendment	Post-amendment	Reason
	reaches 10% or more of the Company's net worth as shown in its most recent financial statements. (III) Any new loan of funds by the Company or its subsidiaries reaches NT$10 million or more and also reaches 2% or more of the Company's net worth as shown in its most recent financial statements. The term "date of occurrence" as used herein refers to the earliest of the contract execution date, payment date, date of Board resolution, or any other date sufficient to determine the borrower and the loan amount. III. Where a subsidiary of the Company is not a domestic public company and has any matter subject to public announcement and filing under Subparagraph (III) of the preceding paragraph, the Company shall make such announcement and filing on its behalf. IV. The Company shall, in accordance with generally accepted accounting principles, assess the status of loans of funds and recognize an adequate allowance for doubtful accounts. Relevant information shall be appropriately disclosed in the financial statements, and the Company shall provide the necessary information to the Certified Public Accountant for the performance of required audit procedures.	(II) The outstanding balance of loans of funds by the Company and its subsidiaries to a single enterprise reaches 10% or more of the Company's net worth as shown in its most recent financial statements. (III) Any new loan of funds by the Company or its subsidiaries reaches NT$10 million or more and also reaches 2% or more of the Company's net worth as shown in its most recent financial statements. The term "date of occurrence" as used herein refers to the earliest of the contract execution date, payment date, date of Board resolution, or any other date sufficient to determine the borrower and the loan amount. III. Where a subsidiary of the Company is not a domestic public company and has any matter subject to public announcement and filing under Subparagraph (III) of the preceding paragraph, the Company shall make such announcement and filing on its behalf. IV. The Company shall, in accordance with generally accepted accounting principles, assess the status of loans of funds and recognize an adequate allowance for doubtful accounts. Relevant information shall be appropriately disclosed in the financial statements, and the Company shall provide the necessary information to the Certified Public Accountant for the performance of required audit procedures.	
Article 12	Implementation and Amendments <u>These Procedures shall be established by the Company in accordance with applicable regulations and, upon approval by more than one-half of all members of the Audit Committee and</u> by	Implementation and Amendments These Procedures shall, upon approval by the Board of Directors, be submitted to the <u>Supervisors</u> and then to the shareholders' meeting for approval prior to implementation. Where any Director	In alignment with the Company's establishment

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Article	Pre-amendment	Post-amendment	Reason
	the Board of Directors, shall be submitted to the shareholders' meeting for approval prior to implementation. Where any Director expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to the Audit Committee and the shareholders' meeting for discussion. The same shall apply to any amendments thereto.If approval by more than one-half of all Audit Committee members is not obtained, the matter may be approved by more than two-thirds of all Directors, and the results of the Audit Committee's review shall be recorded in the minutes of the Board meeting. The Company has established Independent Directors. When these Procedures are submitted to the Board of Directors for discussion in accordance with the first paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.	expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to each Supervisor and the shareholders' meeting for discussion. The same shall apply to any amendments thereto. Where the Company has established Independent Directors, when these Procedures are submitted to the Board of Directors for discussion in accordance with the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. Where the Company establishes an Audit Committee in lieu of Supervisors, the provisions of these Procedures relating to Supervisors shall cease to apply, and the Audit Committee and its Independent Director members shall exercise their duties in accordance with applicable laws and regulations.	of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

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Comparison Table of Amendments to the "Procedures for Endorsements and Guarantees"

Article	Pre-amendment	Post-amendment	Reason
Article 1	Purpose These Procedures for Endorsements and Guarantees (the "Procedures") are established by the Company to strengthen the financial management of endorsements and guarantees and to reduce operational risks, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies".	Purpose These Procedures for Endorsements and Guarantees (the "Procedures") are established by the Company to strengthen the financial management of endorsements and guarantees and to reduce operational risks, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" (the "Regulations").	Text revised accordingly
Article 2	Scope of Application The term "endorsements and guarantees" as used in these Procedures includes the following: I. Financing endorsements/guarantees: (I) Bill discount financing. (II) Endorsement or guarantee made to meet the financing needs of another company. (III) Issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company itself. II. Customs duty endorsement/guarantee, meaning an endorsement or guarantee for the Company itself or another company with respect to customs duty matters. III. Other endorsements/guarantees, meaning endorsements or guarantees beyond the scope of the above two subparagraphs. IV. Any creation the Company of a pledge or mortgage on its	Scope of Application The term "endorsements and guarantees" as used in these Regulations includes the following: I. Financing endorsements/guarantees: (I) Bill discount financing. (II) Endorsement or guarantee made to meet the financing needs of another company. (III) Issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company itself. II. Customs duty endorsement/guarantee, meaning an endorsement or guarantee for the Company itself or another company with respect to customs duty matters. III. Other endorsements/guarantees, meaning endorsements or guarantees beyond the scope of the above two subparagraphs. IV. Any creation by the Company of a pledge or mortgage on	Text revised accordingly

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Article	Pre-amendment	Post-amendment	Reason
	chattel or real property as security for the loans of another company shall also comply with these Procedures.	its chattel or real property as security for the loans of another company shall also comply with these Procedures.	
Article 3	Counterparties Eligible for Endorsements and Guarantees I. The Company may provide endorsements or guarantees for the following entities: (I) Companies having business dealings with the Company. (II) Companies in which the Company directly or indirectly holds more than 50% of the voting shares. (III) Companies that directly or indirectly hold more than 50% of the voting shares of the Company. II. Endorsements and guarantees may be provided among companies in which the Company directly or indirectly holds 90% or more of the voting shares; provided that the total amount shall not exceed 10% of the Company's net worth. However, endorsements and guarantees among companies in which the Company directly or indirectly holds 100% of the voting shares shall be limited to the Company's net worth. The term "net worth" as used in these Procedures refers to the equity attributable to the owners of the parent company as stipulated in the "Regulations Governing the Preparation of Financial Reports by Securities Issuers". III. Where the Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project, or where	Counterparties Eligible for Endorsements and Guarantees I. The Company may provide endorsements or guarantees for the following entities: (I) Companies having business dealings with the Company. (II) Companies in which the Company directly or indirectly holds more than 50% of the voting shares. (III) Companies that directly or indirectly hold more than 50% of the voting shares of the Company. II. Endorsements and guarantees may be provided among companies in which the Company directly or indirectly holds 90% or more of the voting shares; provided that the total amount shall not exceed 10% of the Company's net worth. However, endorsements and guarantees among companies in which the Company directly or indirectly holds 100% of the voting shares shall be limited to the Company's net worth. The term "net worth" as used herein refers to the equity attributable to owners of the parent as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. III. Where the Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for	Text revised accordingly

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Article	Pre-amendment	Post-amendment	Reason
	all the capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, or where companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other, such endorsements/guarantees may be made free of the restriction of the preceding two paragraphs. Capital contribution referred to in the preceding paragraph shall mean capital contribution directly by the Company, or through a company in which the Company holds 100% of the voting shares.	purposes of undertaking a construction project, or where each of the capital contributing shareholders makes endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, or where companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other, such endorsements/guarantees may be made free of the restriction of the preceding two paragraphs. Capital contribution shall mean capital contribution directly by the Company, or through a company in which the Company holds 100% of the voting shares.	
Article 4	Limits on Endorsements and Guarantees I. The total amount of the Company's external endorsements and guarantees shall not exceed 50% of its current net worth. The amount of endorsements and guarantees provided to a single enterprise shall not exceed 20% of the Company's current net worth, and for a single overseas affiliated company, shall not exceed 30% of the Company's net worth. Where endorsements and guarantees are provided due to business relationships, the amount shall not exceed the total transaction amount between the Company and the counterparty in the most recent fiscal year (whichever is higher between the purchase amount and the sales amount). The net worth shall be based on the most recent financial statements	Limits on Endorsements and Guarantees I. The total amount of the Company's external endorsements and guarantees shall not exceed 50% of its current net worth. The amount of endorsements and guarantees provided to a single enterprise shall not exceed 20% of the Company's current net worth, and for a single overseas affiliated company, shall not exceed 30% of the Company's net worth. Where endorsements and guarantees are provided due to business relationships, the amount shall not exceed the total transaction amount between the Company and the counterparty in the most recent fiscal year (whichever is higher between the purchase amount and the sales amount). The net worth shall be based on the most recent financial statements	Deleted the definition of "net worth" as it has been set forth in Article 3.

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Article	Pre-amendment	Post-amendment	Reason
	audited or reviewed by a certified public accountant. (Omitted)	audited or reviewed by a certified public accountant. The term "net worth" as used herein refers to the equity attributable to owners of the parent company as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. (Omitted)	
Article 5	Decision-Making and Authorization Levels I. The Company shall prudently assess whether any endorsement or guarantee complies with these Procedures and, together with the evaluation results set forth in Paragraph I of Article 6, submit the matter to the Board of Directors for approval prior to implementation. However, where necessary to meet time constraints, the Board of Directors may authorize the Chairman to make decisions within a specified limit, with such decisions to be subsequently submitted to the next Board meeting for ratification. II. Before a subsidiary in which the Company directly or indirectly holds 90% or more of the voting shares provides an endorsement or guarantee in accordance with Subparagraph II, Paragraph I of Article 3, such matter shall be submitted to the Company's Board of Directors for approval prior to implementation. However, this requirement shall not apply to endorsements and guarantees provided among companies in which the Company directly or indirectly holds 100% of the voting	Decision-Making and Authorization Levels I. The Company shall prudently assess whether any endorsement or guarantee complies with these Procedures and, together with the evaluation results set forth in Paragraph I of Article 6, submit the matter to the Board of Directors for approval prior to implementation. However, where necessary to meet time constraints, the Board of Directors may authorize the Chairman to make decisions within a specified limit, with such decisions to be subsequently submitted to the next Board meeting for ratification. II. Before a subsidiary in which the Company directly or indirectly holds 90% or more of the voting shares provides an endorsement or guarantee in accordance with Subparagraph II, Paragraph I of Article 3, such matter shall be submitted to the Company's Board of Directors for approval prior to implementation. However, this requirement shall not apply to endorsements and guarantees provided among companies in which the Company directly or indirectly holds 100% of the voting	Text revised accordingly

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Article	Pre-amendment	Post-amendment	Reason
	shares. III. The Company has appointed Independent Directors. When providing endorsements or guarantees for others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board Meeting Minutes.	shares. III. Where the Company has established Independent Directors, in providing endorsements or guarantees for others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board Meeting Minutes.	
Article 6	Endorsement and Guarantee Procedures I. When a company receiving an endorsement or guarantee needs to use the amount of the endorsement or guarantee within the limit, it shall provide basic information and financial data and submit an application form to the Company's finance department. The finance department shall conduct a detailed evaluation to determine whether it complies with the provisions of these Procedures. Evaluation items include the necessity and reasonableness of the endorsement or guarantee, whether the endorsement or guarantee amount is commensurate with the business transaction amount, the impact on the Company's operational risks, financial condition, and shareholders' equity, and whether collateral should be obtained and its valuation. II. The responsible personnel of the Company’s finance department shall compile the relevant information and evaluation results set forth in the preceding paragraph. If, at the time of processing the endorsement or guarantee, the cumulative outstanding balance does not exceed 30% of	Endorsement and Guarantee Procedures I. When a company receiving an endorsement or guarantee needs to use the amount of the endorsement or guarantee within the limit, it shall provide basic information and financial data and submit an application form to the Company's finance department. The finance department shall conduct a detailed evaluation to determine whether it complies with the provisions of these Procedures. Evaluation items include the necessity and reasonableness of the endorsement or guarantee, whether the endorsement or guarantee amount is commensurate with the business transaction amount, the impact on the Company's operational risks, financial condition, and shareholders' equity, and whether collateral should be obtained and its valuation. II. The responsible personnel of the Company’s finance department shall compile the relevant information and evaluation results set forth in the preceding paragraph. If, at the time of processing the endorsement or guarantee, the cumulative outstanding balance does not exceed 30% of	Text revised accordingly

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Article	Pre-amendment	Post-amendment	Reason
	the Company's current net worth, the matter shall be submitted to the Chairman for approval prior to implementation and subsequently reported to the next Board meeting for ratification. If the cumulative outstanding balance exceeds 30% of the Company's current net worth, the matter shall be submitted to the Board of Directors for approval and handled in accordance with its resolution. III. The register of endorsements and guarantees established by the finance department shall record in detail the endorsed or guaranteed party, amount, date of approval by the Board of Directors or approval by the Chairman, date of the endorsement or guarantee, matters required to be carefully evaluated in accordance with these Procedures, details of the collateral and its appraised value, and the conditions and date for the release of the endorsement or guarantee obligations. (Omitted)	the Company's current net worth, the matter shall be submitted to the Chairman for approval prior to implementation and subsequently reported to the next Board meeting for ratification. If the cumulative outstanding balance exceeds 30% of the Company's current net worth, the matter shall be submitted to the Board of Directors for approval and handled in accordance with its resolution. III. The register of endorsements and guarantees established by the finance department shall record in detail the endorsed or guaranteed party, amount, date of approval by the Board of Directors or approval by the Chairman, date of the endorsement or guarantee, matters required to be carefully evaluated in accordance with these Procedures, details of the collateral and its appraised value, and the conditions and date for the release of the endorsement or guarantee obligations. (Omitted)	
Article 8	Matters to Be Noted in Handling Endorsements and Guarantees: I. The Company's internal auditors shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, a written notice shall be submitted to the Audit Committee. II. Where, due to changes in circumstances, an entity that originally met the requirements of Article 3 of these Procedures subsequently no longer qualifies, or where the	Matters to Be Noted in Handling Endorsements and Guarantees: I. The Company's internal auditors shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, a written notice shall be submitted to each Supervisor. II. Where, due to changes in circumstances, an entity that originally met the requirements of Article 3 of these Procedures subsequently no longer qualifies, or where the	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain

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Article	Pre-amendment	Post-amendment	Reason
	amount of endorsements or guarantees exceeds the limits set forth in Article 4 due to changes in the basis for calculation, the internal auditors shall urge the finance department to ensure that the amount of endorsements or guarantees provided to such entity, or the excess portion, is eliminated upon expiration of the contractual term or within a specified period. The remediation plan shall be submitted to the Audit Committee and reported to the Board of Directors, and corrective actions shall be completed in accordance with the prescribed timeline. III. Where, due to business needs, the Company is required to provide endorsements or guarantees in excess of the limits prescribed under these Procedures and such arrangements meet the applicable requirements, the matter shall be approved by the Board of Directors. More than one-half of the Directors shall jointly assume liability for any potential losses arising from the excess amount, and these Procedures shall be amended and submitted to the shareholders' meeting for ratification. If the shareholders' meeting does not grant approval, the Company shall formulate a plan to eliminate the excess portion within a specified period. The Company has established Independent Directors, when such matters are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director, together with the reasons therefor, shall be recorded in the minutes of the Board meeting.	amount of endorsements or guarantees exceeds the limits set forth in Article 4 due to changes in the basis for calculation, the internal auditors shall urge the finance department to ensure that the amount of endorsements or guarantees provided to such entity, or the excess portion, is eliminated upon expiration of the contractual term or within a specified period. The remediation plan shall be submitted to the Supervisors and reported to the Board of Directors, and corrective actions shall be completed in accordance with the prescribed timeline. III. Where, due to business needs, the Company is required to provide endorsements or guarantees in excess of the limits prescribed under these Procedures and such arrangements meet the applicable requirements, the matter shall be approved by the Board of Directors. More than one-half of the Directors shall jointly assume liability for any potential losses arising from the excess amount, and these Procedures shall be amended and submitted to the shareholders' meeting for ratification. If the shareholders' meeting does not grant approval, the Company shall formulate a plan to eliminate the excess portion within a specified period. Where the Company has established Independent Directors, when such matters are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director, together with the reasons therefor, shall be recorded in the minutes of the Board meeting.	provisions have been revised accordingly.

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Article	Pre-amendment	Post-amendment	Reason
Article 10	Control Procedures for Subsidiaries' Endorsements and Guarantees I. Where a subsidiary of the Company intends to provide endorsements or guarantees for others, it shall establish its own Operating Procedures for Making of Endorsements/Guarantees and conduct such activities in accordance herewith. II. Each subsidiary shall, prior to the 10th of each month, prepare a detailed statement of endorsements and guarantees provided for others in the preceding month and submit it to the Company for review. III. The internal auditors of each subsidiary shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to the Audit Committee. IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Endorsements and Guarantees. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the Audit Committee.	Control Procedures for Subsidiaries' Endorsements and Guarantees I. Where a subsidiary of the Company intends to provide endorsements or guarantees for others, it shall establish these Procedures and conduct such activities in accordance herewith. II. Each subsidiary shall, prior to the 10th of each month, prepare a detailed statement of endorsements and guarantees provided for others in the preceding month and submit it to the Company for review. III. The internal auditors of each subsidiary shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to each Supervisor. IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Endorsements and Guarantees. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the President.	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.
Article 13	Implementation and Amendments	Implementation and Amendments	In alignment with the

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Article	Pre-amendment	Post-amendment	Reason
	These Procedures shall be established by the Company in accordance with applicable regulations and, upon approval by more than one-half of all members of the Audit Committee and by the Board of Directors, shall be submitted to the shareholders' meeting for approval prior to implementation. Where any Director expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to the Audit Committee and the shareholders' meeting for discussion. The same shall apply to any amendments thereto. Where approval by more than one-half of all Audit Committee members is not obtained, the matter may be approved by more than two-thirds of all Directors, and the results of the Audit Committee review shall be recorded in the minutes of the Board meeting. The Company has established Independent Directors. When these Procedures are submitted to the Board of Directors for discussion in accordance with the first paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.	These Procedures shall, upon approval by the Board of Directors, be submitted to the Supervisors and then to the shareholders' meeting for approval prior to implementation. Where any Director expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to each Supervisor and the shareholders' meeting for discussion. The same shall apply to any amendments thereto. Where the Company has established Independent Directors, when these Procedures are submitted to the Board of Directors for discussion in accordance with the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. Where the Company establishes an Audit Committee in lieu of Supervisors, the provisions of these Procedures relating to Supervisors shall cease to apply, and the Audit Committee and its Independent Director members shall exercise their duties in accordance with applicable laws and regulations.	Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

Appendix 1

Procedures for Acquisition or Disposal of Assets

Article 1: Purpose

These Procedures are established to safeguard the Company's assets and ensure proper information disclosure.

Article 2: Legal Basis

These Procedures are established in accordance with Article 36-1 of the "Securities and Exchange Act" (the "Act") and the relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."

Article 3: Scope of Assets

I. Securities: including 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.

II. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.

III. Memberships certificates.

IV. Intangible assets: including patents, copyrights, trademarks, franchise rights, and other intangible assets.

V. Right-of-use assets.

VI. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).

VII. Derivatives.

VIII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.

IX. Other material assets.

Article 4: Definitions of terms

I. 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.

II. 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.

III. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

IV. 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.

V. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of Board 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.

VI. 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.

VII. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.

VIII. 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.

IX. 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 5: Limits on Investments in Non-operating Real Property and Right-of-Use Assets Thereof or Securities

The limits on the acquisition of the above assets by the Company and its subsidiaries are set as follows:

I. The total amount of the Company’s investments in long-term and short-term securities shall not exceed 70% of its net worth; the total amount of such investments by each subsidiary shall not exceed 30% of the Company’s net worth.

II. The amount invested by the Company in any individual security shall not exceed 30% of its net worth; the amount invested by each subsidiary in any individual security shall not exceed 20% of the Company's net worth.

III. The total amount of the Company's acquisitions of non-operating real property and right-of-use assets thereof shall not exceed 15% of its net worth; the total amount of such acquisitions by each subsidiary shall not exceed 5% of the Company's net worth.

Article 6: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. 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.

II. May not be a related party or de facto related party of any party to the transaction.

III. 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.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:

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

II. When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.

III. They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.

IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.

Appendix 1

Article 7: Related Party Transactions

I. Where the Company acquires or disposes of assets from or to a related party, in addition to complying with the relevant Regulations Governing the Acquisition and Disposal of Assets, it shall also follow the procedures for obtaining approvals and assessing the reasonableness of the transaction terms as set forth below. Where the transaction amount reaches 10% or more of the Company's total assets, an appraisal report issued by a professional appraiser or an opinion issued by a certified public accountant shall also be obtained. In determining whether a counterparty is a related party, consideration shall be given not only to its legal form but also to its substantive relationship.

The calculation of the transaction amount referred to in the preceding paragraph shall be conducted in accordance with Article 8-1.

II. Assessment and Operating Procedures

Where the Company acquires or disposes of real property or right-of-use assets from or to a related party, or engages in the acquisition or disposal of assets other than real property or right-of-use assets with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, except for the trading of domestic government bonds, bonds with repurchase or resale agreements, or subscription to or redemption of money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the Board of Directors for approval and recognized by the Supervisors before entering into the transaction contract or making any payment:

(I) The purpose, necessity, and expected benefits of the acquisition or disposal of assets.

(II) The reasons for selecting the related party as the transaction counterparty.

(III) In the case of acquiring real property or right-of-use assets from a related party, relevant information for assessing the reasonableness of the proposed transaction terms in accordance with Subparagraphs (I) and (IV), Paragraph III of this Article.

(IV) The original acquisition date and price by the related party, the transaction counterparty, and their relationship with the Company and the related party.

(V) A monthly cash flow projection for the one-year period commencing from the anticipated contract month, together with an assessment of the necessity of the transaction and the reasonableness of the use of funds.

(VI) An appraisal report issued by a professional appraiser obtained in accordance with applicable regulations, or an opinion issued by a certified public accountant.

(VII) The restrictions and other material terms and conditions of the transaction.

Where the Company or a subsidiary that is not a domestic public company engages in the aforementioned transactions, and the transaction amount reaches

10% or more of the Company's total assets, the Company shall submit the information set forth in the preceding paragraph to the shareholders' meeting for approval before entering into the transaction contract or making any payment. This requirement shall not apply to transactions between the Company and its parent or subsidiaries, or among its subsidiaries.

The calculation of the transaction amount referred to above shall be conducted in accordance with Subparagraph VII, Paragraph I, Article 12, and the term "within one year" shall be calculated retrospectively for a one-year period based on the date of occurrence of the current transaction. Any portion that has already been submitted to and approved by the shareholders' meeting and the Board of Directors and recognized by the supervisors in accordance with these Regulations shall be excluded from the calculation.

Where the Company engages in the following transactions with 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 authorizes the Chairman to make decisions within an amount not exceeding NT$100 million, with such decisions to be subsequently submitted to the most recent Board meeting for ratification:

(I) Acquisition or disposal of equipment or right-of-use assets for operating use.

(II) Acquisition or disposal of right-of-use assets of real property for operating use.

When matters are submitted to the Board of Directors for discussion pursuant to the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.

III. Assessment of the Reasonableness of Transaction Costs

(I) The Company that acquires real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:

1. 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.

2. 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.

(II) Where land and buildings of the same property are jointly purchased or leased, the transaction cost may be evaluated separately for the land and the buildings using any of the methods set forth in the preceding paragraph.

(III) Where the Company acquires real property or right-of-use assets from a related party, it shall evaluate the cost of such real property or right-of-use assets in accordance with Subparagraphs (I) and (II) of Paragraph III of this Article, and shall engage a certified public accountant to review and express a specific opinion thereon.

(IV) Where the Company acquires real property or right-of-use assets from a related party and the results of the evaluation conducted in accordance with Subparagraphs (I) and (II) of Paragraph III of this Article are both lower than the transaction price, the provisions of Subparagraph (V) of Paragraph III of this Article shall apply. However, this shall not apply where the following circumstances exist and objective evidence is provided, together with specific opinions on reasonableness issued by a professional real property appraiser and a certified public accountant:

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

   (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. 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.

   (2) 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.

2. Where the Company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for

parcels with a land area of no less than 50% of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

(V) Where the Company acquires real property or right-of-use assets from a related party and the results of the evaluation conducted in accordance with Subparagraphs (I), (II), (III), and (IV) of Paragraph III of this Article are all lower than the transaction price, the following actions shall be taken:

1. The Company shall appropriate a special reserve for the difference between the transaction price of the real property or right-of-use assets and the assessed cost in accordance with Paragraph 1, Article 41 of the Securities and Exchange Act, and such reserve shall not be distributed or capitalized by issuing new shares. If an investor adopting the equity method to account for its investment in the Company is a public company, it shall also appropriate a special reserve in proportion to its shareholding in accordance with Paragraph I, Article 41 of the Securities and Exchange Act.

2. Supervisors shall act in accordance with Article 218 of the Company Act.

   Where an Audit Committee has been established in accordance with the Securities and Exchange Act, the provisions of the preceding sentence shall apply mutatis mutandis to the Independent Directors of the Audit Committee.

3. The handling status of Subparagraph (V), Items 1 and 2 of Paragraph III of this Article shall be submitted to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and the prospectus.

   Where the Company or a public company that accounts for its investment in the Company using the equity method has appropriated a special reserve in accordance with the foregoing provisions, such special reserve shall not be utilized unless the asset acquired or leased at a higher price has been recognized for impairment loss, disposed of, or the lease has been terminated, or appropriate compensation has been made or the original condition has been restored, or other evidence confirms that there is no unreasonableness, and such utilization has been approved by the Financial Supervisory Commission, Executive Yuan.

   Where the Company acquires real property or right-of-use assets from a related party, and there is other evidence indicating that the transaction does not conform to normal business practices, the provisions of this Subparagraph shall also apply.

(VI) Where the Company acquires real property or right-of-use assets from a related party under any of the following circumstances, it shall comply with the evaluation and operating procedures set forth in Paragraphs I and II of this Article, and the provisions of Subparagraphs (I), (II), and (III) of Paragraph III of this Article regarding the assessment of the reasonableness of transaction costs shall not apply:

1. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
2. 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.
3. 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.
4. Where the Company and its subsidiaries, or among subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, acquire right-of-use assets of real property for operating use.

Article 8: Procedures for acquiring or disposing of real property, equipment or their right-to-use assets, securities, intangible assets or their right-to-use assets, or membership certificates

I. Assessment and Operating Procedures

The Company’s acquisition or disposal of real property, equipment or right-of-use assets thereof, securities, intangible assets or right-of-use assets thereof, or membership certificates shall be conducted in accordance with the Company’s internal control system.

II. Procedure for Determining Transaction Terms and Authorized Limits

(I) In the acquisition or disposal of real property, equipment, or right-of-use assets, the transaction terms and price shall be determined with reference to publicly announced current values, appraised values, and actual transaction prices of neighboring properties, and shall be conducted by means of price inquiry, comparison, negotiation, or tendering, as applicable. The acquisition or disposal of real estate, equipment, or right-of-use assets shall be assessed by the implementing unit. Transactions amounting to NT$30 million (inclusive) or more shall be submitted to the Board of Directors for approval before implementation. However, the Chairman is authorized to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board meeting for ratification.

(II) In the acquisition or disposal of securities conducted on a centralized securities exchange or at the business premises of a securities firm, the responsible unit shall determine the transaction based on prevailing market conditions. For securities not traded on a centralized securities exchange or at the business premises of a securities firm, the most recent financial statements of the target company, audited or reviewed by a certified public accountant, shall be obtained as a reference for evaluating the transaction price.

The acquisition or disposal of real estate, equipment, or right-of-use assets shall be assessed by the implementing unit. Transactions amounting to NT$30 million (inclusive) or more shall be submitted to the Board of Directors for approval before implementation. However, the Chairman is authorized to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board of Directors for ratification.

(III) In the acquisition or disposal of membership certificates, the transaction terms and price shall be determined with reference to fair market value, and an analysis report shall be prepared and submitted to the President for approval. The transaction amount shall not exceed NT$30 million.

(IV) In the acquisition or disposal of intangible assets or right-of-use assets, the transaction terms and price shall be determined with reference to an expert appraisal report or fair market value, and an analysis report shall be prepared and submitted to the Chairman for approval. The transaction amount shall not exceed 15% of the Company’s net worth or NT$300 million. Where the transaction amount exceeds NT$30 million (inclusive), it shall be approved by the Chairman and reported to the next Board meeting for recordation.

(V) Where the Company’s acquisition or disposal of assets is required to be approved by the Board of Directors in accordance with the prescribed procedures or applicable laws and regulations, and any Director expresses dissent with a record or written statement, the Company shall also submit the dissenting opinions of the Directors to each Supervisor. In addition, where the Company has established Independent Directors pursuant to the Securities and Exchange Act, when such transactions are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.

III. Responsible Unit

When the Company acquires or disposes of real property, equipment or right-of-use assets thereof, securities, intangible assets or right-of-use assets thereof, or membership certificates, such transactions shall, after approval in accordance with the authorization limits set forth in the preceding paragraph, be carried out by the following responsible units:

Acquisition or disposal of securities: Finance Department or other relevant units.

Acquisition or disposal of real property, equipment or right-of-use assets thereof: Administration Department or other relevant units.

Acquisition or disposal of intangible assets or right-of-use assets thereof, or membership certificates: Finance Department or Administration Department.

IV. Expert Appraisal Reports for Real Property, Equipment or Right-of-Use Assets Thereof, Securities, Intangible Assets or Right-of-Use Assets Thereof, or Membership Certificates

Where the Company acquires or disposes of real property, equipment or right-of-use assets thereof, except for transactions with domestic government agencies, self-constructed projects on owned land, construction on leased land, or the acquisition or disposal of equipment or right-of-use assets for operating use, and the transaction amount reaches 20% or more of the Company's paid-in capital or NT$300 million or more, the Company shall obtain an appraisal report issued by a professional appraiser prior to the date of occurrence of the event, and such report shall comply with the following requirements:

(I) Where, due to special circumstances, a limited price, specific price, or special price is used as the reference basis for determining the transaction price, such transaction shall be submitted to the Board of Directors for approval in advance; the same shall apply to any subsequent changes to the transaction terms.

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

(III) Where the appraisal results of a professional appraiser fall under any of the following circumstances, except where the appraisal results for the acquisition of assets are all higher than the transaction amount, or where the appraisal results for the disposal of assets are all lower than the transaction amount, a certified public accountant shall be engaged to express a specific opinion on the reasons for the differences and the appropriateness of the transaction price:

1. Where the difference between the appraisal result and the transaction amount reaches 20% or more of the transaction amount.
2. Where the difference between the appraisal results of two or more professional appraisers reaches 10% or more of the transaction amount.

(IV) The date of the appraisal report issued by a professional appraiser shall not be more than three months prior to the date of contract formation. However, where the same publicly announced current value is applied and the period does not exceed six months, an opinion letter may be issued by the original professional appraiser.

Where the Company acquires or disposes of securities, it shall, prior to the date of occurrence of the event, obtain the most recent financial statements of the target company, audited or reviewed by a certified public accountant, as a reference for evaluating the transaction price. Where the transaction amount reaches 20% or more of the Company's paid-in capital or NT$300 million or more, the Company shall, prior to the date of occurrence of the event, engage a certified public accountant to express an opinion on the reasonableness of the transaction price. However, this requirement shall not apply where the securities have publicly quoted prices in an active market or where otherwise provided by the Financial Supervisory Commission, Executive Yuan.

Where the Company acquires or disposes of intangible assets, right-of-use assets thereof, or membership certificates, and the transaction amount reaches 20% or more of the Company's paid-in capital or NT$300 million or more, except for transactions with domestic government agencies, the Company shall, prior to the date of occurrence of the event, engage a certified public accountant to express an opinion on the reasonableness of the transaction price.

Article 8-1: The calculation of the transaction amount referred to in the preceding Article shall be conducted in accordance with Subparagraph VII, Paragraph I of Article 12 of these Procedures. The term "within one year" shall be calculated retrospectively for a one-year period based on the date of occurrence of the current transaction. Any portion for which an appraisal report issued by a professional appraiser or an opinion issued by a certified public accountant has already been obtained in accordance with applicable regulations shall be excluded from the calculation.

Article 9: Procedures for Acquisition or Disposal of Claims of Financial Institutions

In principle, the Company does not engage in the acquisition or disposal of claims of financial institutions. Should the Company intend to engage in such transactions in the future, it shall first obtain approval from the Board of Directors and subsequently establish the relevant evaluation and operating procedures.

Article 10: Procedures for acquiring or disposing of derivatives

I. Trading Principles and Policies

(I) Types of Transactions

1. The derivatives financial instruments engaged in by the Company refer to 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.

2. Matters relating to bond margin trading shall be handled mutatis mutandis in accordance with the relevant provisions of these Procedures. Transactions involving bonds with repurchase agreements shall not be subject to the provisions of these Procedures.

(II) Operating (Hedging) Strategy

The Company shall engage in derivative financial product trading primarily for hedging purposes. The instruments selected shall be those that effectively mitigate risks arising from the Company's business operations. The currencies of the positions held must correspond to the Company's actual foreign currency needs arising from import and export transactions.

As a general principle, the Company shall internally offset its overall positions (i.e., foreign currency inflows and outflows) in order to reduce overall foreign exchange risk and minimize foreign exchange transaction costs. Transactions undertaken for other specific purposes shall be subject to prudent evaluation and may only be carried out upon approval by the President and the Chairman. Any transactions exceeding the prescribed limits shall require approval by the Board of Directors and shall be conducted in accordance with policy directives.

(III) Allocation of Duties and Responsibilities

1. Finance Department

(1) Trading Personnel

A. Responsible for formulating strategies for the Company's financial instrument transactions.

B. Trading personnel shall calculate positions on a biweekly basis, collect market information, conduct trend analysis and risk assessment, and formulate trading strategies, which shall serve as the basis for transactions upon approval in accordance with the prescribed authorization limits.

C. Execute transactions in accordance with the authorized limits and established strategies.

D. In the event of significant changes in the financial markets, or where the trading personnel determine that the established strategies are no longer applicable, an evaluation report shall be submitted at any time to formulate revised strategies, which shall serve as the basis for transactions upon approval by the President.

(2) Accounting Personnel

A. Perform transaction confirmations.

B. Review whether transactions are conducted in accordance with the authorized limits and established strategies.

C. Conduct monthly valuations, with valuation reports submitted to the President for approval.

D. Handle accounting entries and related accounting matters.

E. Make filings and public disclosures in accordance with the regulations of the Financial Supervisory Commission.

2. Audit Department

Responsible for assessing the adequacy of internal controls over derivatives transactions, auditing the trading department's compliance with the operating procedures, and analyzing the transaction cycle.

Audit reports shall be prepared, and any material deficiencies shall be reported to the Board of Directors.

3. Performance Evaluation

(1) The Board of Directors shall authorize the President to regularly supervise and evaluate whether derivatives transactions are conducted in accordance with the Company's prescribed procedures and whether the risks assumed are within acceptable limits. In the event of any abnormality in the mark-to-market valuation report (e.g., where the position held exceeds the loss limit), the matter shall be immediately reported to the Board of Directors and appropriate response measures shall be taken.

(2) Positions held in derivatives transactions shall be evaluated at least on a weekly basis; provided, however, that hedging transactions undertaken for business purposes shall be evaluated at least twice a month. The evaluation reports shall be submitted to senior management personnel authorized by the Board of Directors.

4. Determination of Total Contract Amount and Loss Limits

(1) Total Contract Amount

A. Hedging Transactions

The finance department shall monitor the Company's overall positions to mitigate trading risks. The amount of hedging transactions shall not exceed the Company's total actual foreign currency requirements arising from import and export activities or its outstanding loan balance. Any excess shall be subject to approval by the President.

B. Transactions for Specific Purposes

Based on forecasts of market conditions, the finance department may formulate strategies as necessary, which may only be implemented upon approval by the President and the Chairman. The total contract amount for the Company's net cumulative positions in transactions for specific purposes shall not exceed NT$100 million. Any amount exceeding the above limit shall require approval by the Board of Directors and shall be conducted in accordance with policy directives.

(2) Determination of Loss Limits

A. As hedging transactions are intended to mitigate risks, it is not necessary to establish a loss limit for such transactions.

B. For transactions undertaken for specific purposes, the loss for each individual contract shall not exceed 20% of the contract amount, and the maximum annual loss shall not exceed 1% of the Company's paid-in capital. Where the loss exceeds the aforementioned limits, it shall be immediately reported to the President and subsequently to the Board of Directors for consideration of necessary response measures.

5. Authorization Limits and Levels

(1) Chairman: Each transaction with a value exceeding US$3 million (or its equivalent).

(2) President: Each transaction with a value exceeding US$1 million and up to US$3 million (inclusive) (or its equivalent).

(3) (3) Head of Finance: Each transaction with a value of US$1 million (inclusive) or less (or its equivalent).

II. Risk Management Measures

(I) Credit Risk Management: Counterparties shall, in principle, be limited to domestic and foreign financial institutions.

(II) Market Risk Management: Transactions shall be conducted primarily through the publicly available foreign exchange markets provided by banks.

(III) Liquidity Risk Management:

To ensure market liquidity, financial products with higher liquidity (i.e., those that can be readily offset in the market) shall be selected. Financial institutions engaged for transactions must have sufficient information and the capability to execute transactions in any market at any time.

(IV) Cash Flow Risk Management:

To ensure the stability of the Company's working capital, funds used for derivatives transactions shall be limited to the Company's own funds, and the transaction amount shall take into account the funding requirements based on the projected cash inflows and outflows for the next three months.

(V) Operational Risk Management:

The Company shall strictly adhere to its authorization limits and operating procedures and incorporate such activities into its internal audit framework to mitigate operational risks.

(VI) Product Risk Management:

Internal trading personnel shall possess complete and accurate professional knowledge of financial instruments, and banks shall be required to fully disclose risks to prevent improper use of such instruments.

(VII) Legal Risk Management:

Documents executed with financial institutions shall be reviewed by personnel specialized in foreign exchange matters, legal affairs, or external legal advisors prior to execution to mitigate legal risks.

III. Internal Audit System

I. Internal auditors shall regularly assess the adequacy of internal controls over derivatives transactions. They shall also conduct monthly audits of the trading department's compliance with the Company's Procedures for Acquisition or Disposal of Derivative Products, analyze the transaction cycle, and prepare audit reports. In the event of any material violation, a written notice shall be submitted to the Supervisors.

Where the Company has established Independent Directors in accordance with the Securities and Exchange Act, matters required to be notified to the Supervisors pursuant to the preceding paragraph shall also be notified in writing to the Independent Directors.

Where the Company has established an Audit Committee in accordance with the Securities and Exchange Act, the provisions relating to Supervisors as set forth above shall apply mutatis mutandis to the Audit Committee.

II. Internal auditors shall, by the end of February of the following year, report the audit reports together with the annual internal audit results to the Securities and Futures Institute, and shall, by no later than the end of May of the following year, report the status of improvements on any irregularities to the Securities and Futures Institute for recordation.

IV. Principles for supervision and management by the Board of Directors in engaging in derivatives transactions

(I) The Board of Directors shall designate senior management personnel to continuously monitor and control the risks associated with derivatives transactions. The management principles are as follows:

1. Regularly assess whether the current risk management measures are appropriate and ensure that they are implemented in accordance with these Regulations and the Company's Procedures for Acquisition or Disposal of Derivative Products.

2. Supervise transaction activities and profit and loss conditions. In the event of any abnormality, necessary response measures shall be taken and immediately reported to the Board of Directors. Where the Company has established Independent Directors, such matters shall be attended by Independent Directors at the Board meeting and their opinions shall be expressed.

(II) Regularly evaluate whether the performance of derivatives transactions is consistent with the Company's established operating strategies and whether the associated risks are within the Company's acceptable risk tolerance.

(III) Where the Company engages in derivatives transactions and authorizes relevant personnel to handle such transactions in accordance with the prescribed Procedures for Acquisition or Disposal of Derivative Products, such transactions shall be subsequently reported to the most recent Board meeting.

(IV) When engaging in derivatives transactions, the Company shall maintain a register for recordation, in which the types and amounts of derivatives transactions, the dates of approval by the Board of Directors, and the matters required to be carefully evaluated under this Article shall be duly recorded for reference.

Article 11: Procedures for Mergers, Demergers, Acquisitions, or Transfers of Shares

I. Assessment and Operating Procedures

(I) When the Company conducts a merger, demerger, acquisition, or transfer of shares, it shall engage attorneys, certified public accountants, and securities underwriters to jointly establish a proposed timetable for the statutory procedures, and form a project team to carry out such procedures in accordance with applicable laws. Prior to convening the Board of Directors for resolution, the Company shall engage a certified public accountant, attorney, or securities underwriter to express an opinion on the reasonableness of the share exchange ratio, acquisition price, or the cash or other property to be distributed to shareholders, and submit such opinion to the Board of Directors for deliberation and approval.

However, this requirement shall not apply to a merger between the Company and a subsidiary in which it directly or indirectly holds 100% of the issued shares or total capital, or to a merger between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital.

(II) The Company shall prepare a public document for shareholders prior to the shareholders' meeting, setting forth the material terms of the merger, demerger, or acquisition and other relevant matters, and shall deliver such document together with the expert opinion referred to in Subparagraph (I) of Paragraph I of this Article and the notice of the shareholders' meeting to the shareholders as a reference for determining whether to approve the proposed merger, demerger, or acquisition. However, this requirement shall not apply where, in accordance with other applicable laws, a shareholders' meeting is not required to approve the merger, demerger, or acquisition. In addition, where any of the participating companies in the merger, demerger, or acquisition is unable to convene a shareholders' meeting or pass a resolution due to insufficient attendance, insufficient voting rights, or other legal restrictions, or where the proposal is rejected by the shareholders' meeting, the participating companies shall immediately make a public disclosure explaining the reasons, subsequent handling procedures, and the expected date of convening the shareholders' meeting.

II. Other Matters to Be Noted

(I) Date of Board Meetings: Unless otherwise provided by applicable laws or unless special circumstances have been approved in advance by the Financial Supervisory Commission, Executive Yuan, companies participating in a merger, demerger, or acquisition shall convene their Board meetings and shareholders' meetings on the same day to resolve matters relating to the merger, demerger, or acquisition. Companies participating in a share transfer shall, unless otherwise provided by applicable laws or approved in advance by the Financial Supervisory Commission due to special circumstances, convene their Board meetings on the same day.

Companies participating in a merger, demerger, acquisition, or transfer of shares that are listed or whose shares are traded on securities firms' business premises shall prepare complete written records of the following information and retain them for five years for inspection:

1. Basic information of personnel: including the titles, names, and identification numbers (or passport numbers for foreign nationals) of all persons involved in the planning or execution of the merger, demerger, acquisition, or share transfer prior to public disclosure of the information.
2. Dates of material events: including the dates of execution of letters of intent or memoranda of understanding, engagement of financial or legal consultants, execution of contracts, and Board meetings.
3. Important documents and minutes: including documents relating to the merger, demerger, acquisition, or share transfer plans, letters of intent or memoranda of understanding, material contracts, and minutes of Board meetings.

Where the Company participates in a merger, demerger, acquisition, or transfer of shares, it shall, within two days from the date of approval by the Board of Directors, file the information specified in Subparagraphs I and II of the preceding paragraph with the Financial Supervisory Commission, Executive Yuan, through the Internet information reporting system in the prescribed format for recordation.

Where any of the participating companies in a merger, demerger, acquisition, or share transfer is not a listed company or a company whose shares are traded on securities firms' business premises, the Company shall enter into an agreement with such company and proceed in accordance with the provisions of Paragraphs III and IV.

4. The Company shall not waive its rights to participate in future capital increases of FIOPTEC INC. (hereinafter "FIOPTEC-KY"). FIOPTEC-KY shall not waive its rights to participate in future capital increases of FOCI Shanghai. In the event that, for strategic alliance considerations or other reasons approved by the relevant authority, the Company intends to waive its participation in the capital increase of the aforementioned companies or dispose of its equity interests therein, such actions shall be subject to approval by a special resolution of the Board of Directors of FOCI Fiber Optic Communications, Inc.

(II) Prior Confidentiality Undertakings: All persons participating in or having knowledge of the Company's merger, demerger, acquisition, or share transfer plan shall execute written confidentiality undertakings. Prior to public disclosure of such information, they shall not disclose the content of the plan to any external party, nor shall they, either directly or through others, trade in the shares or other equity securities of any companies involved in the merger, demerger, acquisition, or share transfer.

(III) Principles for Determination and Adjustment of Share Exchange Ratios or Acquisition Prices: Companies participating in a merger, demerger, acquisition, or transfer of shares shall, prior to their respective Board meetings, engage a certified public accountant, attorney, or securities underwriter to express an opinion on the reasonableness of the share exchange ratio, acquisition price, or the cash or other property to be distributed to shareholders, and submit such opinion to the shareholders' meeting. In principle, the share exchange ratio or acquisition price shall not be arbitrarily changed. However, this restriction shall not apply where the conditions for such changes have been specified in the contract and publicly disclosed. The circumstances under which the share exchange ratio or acquisition price may be adjusted are as follows:

1. Capital increases by cash injection, issuance of convertible corporate bonds, bonus share distributions, issuance of corporate bonds with warrants, preferred shares with warrants, warrants, or other equity securities.
2. Disposal of major assets or other actions affecting the Company's financial or business operations.
3. Occurrence of major disasters, significant technological changes, or other events affecting shareholders' equity or securities prices.
4. Adjustments to the repurchase of treasury shares by any party involved in a merger, division, acquisition, or share transfer in accordance with the law.
5. Changes in the number or number of entities involved in a merger, division, acquisition, or share transfer.
6. Other conditions for adjustment as specified in the contract and publicly disclosed.

(IV) Required Contents of the Agreement: In addition to the requirements set forth in Article 317-1 of the Company Act and Article 22 of the Business Mergers and Acquisitions Act, the agreement for a merger, demerger, acquisition, or share transfer shall also include the following:

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.

(V) Changes in the Number of Participating Companies in a Merger, Demerger, Acquisition, or Share Transfer: 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.

(VI) Where any of the companies 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 Subparagraph (I) (Date of Board Meetings), Subparagraph (II) (Prior Confidentiality Undertakings), and Subparagraph (V) (Changes in the Number of Participating Companies) of Paragraph II of this Article.

Article 12: Procedures for Information Disclosure

I. Items Subject to Public Announcement and Filing and Applicable Thresholds

(I) Acquisition or disposal of real property or right-of-use assets from a related party, or acquisition or disposal of assets other than real property or right-of-use assets with a related party, where the transaction amount reaches 20% of the Company’s paid-in capital, 10% of total assets, or NT$300 million or more. However, this shall not apply to the trading of domestic government bonds, bonds with repurchase or resale agreements, or the subscription to or redemption of money market funds issued by domestic securities investment trust enterprises.

(II) Mergers, demergers, acquisitions, or transfers of shares.

(III) Losses from derivatives transactions reaching the maximum limit on total or individual contract losses as specified in the relevant procedures.

(IV) Where the asset acquired or disposed of is equipment or right-of-use assets for operating use, the counterparty is not a related party, and the transaction amount meets any of the following thresholds:

1. Where the Company’s paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more.

2. Where the Company's paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more.

(V) Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT$500 million.

(VI) Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT$300 million. However, this shall not apply to the following circumstances:

1. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.
2. Transactions involving securities conducted by professional investors on a securities exchange or at the place of business of a securities firm; subscriptions in the primary market for foreign government bonds or for ordinary corporate bonds or general financial bonds issued through public offering that do not involve equity (excluding subordinated bonds); subscriptions for or redemptions of securities investment trust funds or futures trust funds; subscriptions for or repurchases of exchange-traded notes (ETNs); or securities subscribed by a securities firm as required for underwriting business or, when acting as a recommending securities firm for an emerging stock company, in accordance with the regulations of the Taipei Exchange.
3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

(VII) The transaction amount for the items set forth in Subparagraphs (I) through (VI) above shall be calculated as follows. The term "within one year" shall be calculated retrospectively for a one-year period based on the date of occurrence of the current transaction. Any portion that has already been publicly announced in accordance with applicable regulations shall be excluded from the calculation.

1. The amount of any individual transaction.
2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
3. 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.

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

II. Time Limits for Public Announcement and Filing

Where the Company acquires or disposes of assets and the transaction meets the thresholds for public announcement and filing under this Article, it shall make such announcement and filing within two days from the date of occurrence of the event.

III. Procedures and Formats for Public Announcement and Filing

(I) The Company shall make public announcements and filings of relevant information through the website designated by the Financial Supervisory Commission, Executive Yuan.

(II) The Company shall, by the 10th of each month, input into the information reporting system designated by the Financial Supervisory Commission, Executive Yuan, the status of derivatives transactions conducted by the Company and its subsidiaries that are not domestic public companies as of the end of the preceding month, in the prescribed format.

(III) Where any required disclosure contains errors or omissions that require correction, the Company shall, within two days from the date of discovery, refile and publicly announce all relevant items.

(IV) The Company shall retain at its premises the relevant contracts, minutes, registers, appraisal reports, and opinions issued by certified public accountants, attorneys, or securities underwriters in connection with the acquisition or disposal of assets for a minimum of five years, unless otherwise provided by applicable laws.

(V) After making a public announcement and filing in accordance with the preceding Article, where any of the following circumstances occurs, the Company shall, within two days from the date of occurrence, publicly announce and file the relevant information through the website designated by the Financial Supervisory Commission, Executive Yuan:

1. Any amendment, termination, or rescission of the original transaction contract.
2. Failure to complete a merger, demerger, acquisition, or share transfer in accordance with the scheduled timeline set forth in the contract.
3. Any change to the originally disclosed information.

(VI) Filings shall be made in accordance with the formats prescribed by applicable laws and regulations.

Article 13: Subsidiaries of the Company shall comply with the following provisions:

I. Each subsidiary shall establish its own “Procedures for Acquisition or Disposal of Assets” in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”. Such Procedures shall be approved by the subsidiary's Board of Directors and submitted to its shareholders' meeting for approval; the same shall apply to any amendments thereto.

II. When a subsidiary acquires or disposes of assets, it shall act in accordance with its own established procedures.

III. Where a subsidiary is not a public company and its acquisition or disposal of assets meets the thresholds for public announcement and filing as set forth in Articles 31 and 32 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", the parent company shall make such announcement and filing on its behalf.

IV. For the purposes of the thresholds for public announcement and filing applicable to subsidiaries, the terms "paid-in capital" and "total assets" shall be based on the paid-in capital or total assets of the parent company(the Company).

Article 13-1 For the purposes of the provision regarding 10% of total assets under these Procedures, the calculation shall be based on the total assets as stated in the most recent parent-only or individual financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 14: Penalties

Any employee of the Company who handles the acquisition or disposal of assets in violation of these Procedures shall be subject to periodic performance evaluation and disciplinary action in accordance with the Company's personnel management rules and employee handbook, depending on the severity of the violation.

Article 15: Implementation and Amendments

The Company's "Procedures for Acquisition or Disposal of Assets" shall be approved by the Board of Directors, submitted to the Supervisors, and then submitted to the shareholders' meeting for approval; the same shall apply to any amendments thereto. Where any Director expresses dissent with a record or written statement, the Company shall also submit the dissenting opinions of the Directors to each Supervisor. In addition, where the Company has established Independent Directors in accordance with the Securities and Exchange Act, when the "Procedures for Acquisition or Disposal of Assets" are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.

Where the Company establishes an Audit Committee in lieu of Supervisors, the provisions of these Procedures relating to Supervisors shall cease to apply, and the Audit Committee and its Independent Director members shall exercise their duties in accordance with applicable laws and regulations.

Article 16: Supplementary Provisions

Any matters not provided for in these Procedures shall be governed by applicable laws and regulations.

Appendix 2

Procedures for Lending Funds to Other Parties (Before Amendment)

Article 1: Purpose and Legal Basis

These Procedures for Lending Funds to Other Parties (the "Procedures") are established by the Company for the purpose of managing matters relating to the lending of funds to others, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" (the "Regulations"), for compliance therewith.

Article 2: Counterparties for Lending of Funds and Evaluation Criteria

Pursuant to the Company Act, the Company's funds shall not be loaned to any shareholder or any other person except under the following circumstances:

I. Companies or firms having business dealings with the Company; the term "business dealings" as used herein refers to entities that have purchase or sales transactions with the Company.

II. Companies or firms having a short-term financing need with the Company. The amount of financing shall not exceed 40% of the net worth of the borrowing entity. The term "short-term" as used herein refers to a period of one year or one operating cycle, whichever is longer. The amount of financing refers to the cumulative outstanding balance of the Company's short-term financing.

The term "net worth" as used herein refers to the equity attributable to owners of the parent company as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 3: The terms "subsidiary" and "parent company" as used in these Procedures shall be determined in accordance with the provisions of the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

The term "public announcement and filing" as used in these Procedures refers to the entry of information into the reporting system designated by the Financial Supervisory Commission.

Article 4: Total Amount of Funds Available for Lending and Limits for Individual Counterparties

Except for subsidiaries, the total amount of funds available for lending shall not exceed 40% of the Company's current net worth. Other than the Company, the limits may be further categorized into the following two circumstances:

I. Where funds are loaned to companies or firms having business dealings with the Company, the total loan amount shall not exceed 20% of the Company's net worth, and the amount of loans to any single counterparty shall not exceed the amount of business transactions between the two parties in the most recent fiscal year. The term "amount of business transactions" refers to the higher of the purchase amount or the sales amount between the two parties.

II. Where funds are loaned to companies or firms with short-term financing needs, the total loan amount shall not exceed 20% of the Company's net worth, and the amount of loans to any single counterparty shall not exceed 10% of the Company's net worth.

III. Loans of funds between overseas companies in which the Company directly or indirectly holds 100% of the voting shares, or loans of funds by such overseas companies to the Company, shall not exceed the Company's net worth.

IV. The term "current net worth" shall be based on the most recent financial statements audited by a certified public accountant.

Article 5: Loan Term and Interest Calculation

I. In principle, the term of any loan of funds shall not exceed one year. In special circumstances, the term may be extended within the scope permitted by applicable laws, subject to approval by the Board of Directors and based on actual needs. However, where loans are made due to short-term financing needs, extensions shall not be permitted.

II. The interest rate on loans shall not be lower than the highest interest rate applicable to the Company's short-term borrowings from financial institutions. Interest shall, in principle, be paid on a monthly basis. In special circumstances, adjustments may be made based on actual needs, subject to approval by the Board of Directors.

III. For loans of funds between overseas companies in which the Company directly or indirectly holds 100% of the voting shares, or loans of funds by such overseas companies to the Company, the loan term shall not exceed one year. In special circumstances, the term may be extended based on actual needs, subject to approval by the Board of Directors of the relevant company. The method of interest calculation for such loans may be agreed upon between the companies and shall not be subject to the restriction set forth in the preceding paragraph.

Article 6: Procedures for Handling and Review

I. Application Procedures

(I) The borrower shall provide basic information and financial data and complete an application form specifying the purpose of the loan, loan term, and amount, and submit it to the Company's finance department. The review procedures conducted by the finance department shall include an assessment of the necessity and reasonableness of the lending of funds, credit investigation and risk evaluation of the borrower, the impact on the Company's operational risks, financial condition, and shareholders' equity.

(II) Where funds are loaned due to business dealings, the responsible personnel of the Company's finance department shall assess whether the loan amount is commensurate with the volume of such business transactions. Where funds are loaned due to short-term financing needs, the reasons and circumstances justifying the loan shall be specified, and a credit investigation shall be conducted. Relevant information, together with the proposed lending terms, shall be submitted to the head of the finance department, the President, and the Chairman. Upon prudent evaluation as to whether the requirements of these Procedures are met, the proposal, along with the evaluation results, shall be submitted to the Board of Directors for approval prior to implementation, and such authority shall not be delegated to any other person.

(III) Loans between the Company and its subsidiaries, or between subsidiaries, shall be subject to a board resolution as stipulated in the preceding paragraph, and the Chairman may be authorized to disburse or recycle funds to the same lender within a specified limit and a period not exceeding one year as resolved by the Board of Directors. The aforementioned "specified limit", except as provided in Article 4, means that the authorized loan amount from the Company to a single enterprise shall not exceed 10% of the Company's most recent net asset value.

(IV) Where the Company has appointed Independent Directors,when lending funds to others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board minutes. Where the Company has appointed Independent Directors. When lending funds to others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board Meeting Minutes.

II. Credit Investigation

(I) For first-time borrowers, the borrower shall provide basic information and financial data for the purpose of conducting a credit investigation.

(II) For repeat borrowers, a new credit investigation shall, in principle, be conducted at the time of applying for renewal. In the case of material or urgent circumstances, such investigation may be conducted as needed.

(III) Where the borrower has a sound financial condition and its annual financial statements have been audited for financing purposes by a certified public accountant, an existing credit investigation report not exceeding one year may be used together with the auditor’s report for that period as a reference for lending.

(IV) When conducting a credit investigation of the borrower, the Company shall also evaluate the impact of the loan on the Company’s operational risks, financial condition, and shareholders’ equity.

III. Loan Approval and Notification

(I) Where, after credit investigation and evaluation, the responsible authority decides not to grant the loan, the handling personnel shall promptly notify the borrower of the reasons for rejection.

(II) Where, after credit investigation and evaluation, the responsible authority approves the loan, the handling personnel shall promptly notify the borrower in writing, specifying the lending terms, including the loan amount, term, interest rate, collateral, and guarantors, and request the borrower to complete the contract execution procedures within the specified period.

IV. Collateral Valuation and Creation of Security Interests

Except for subsidiaries, the borrower shall provide collateral of equivalent value, promissory notes, or a guarantor, and complete the procedures for establishing a pledge or mortgage. The Company shall also assess the value of the collateral to ensure the protection of its claims.

V. Contract Execution and Verification

(I) For each loan, the handling personnel shall draft the loan agreement, which shall be reviewed by the responsible supervisor and countersigned by legal personnel before execution.

(II) The terms of the agreement shall be consistent with the approved lending conditions. After the borrower and any joint guarantor have affixed their signatures or seals to the agreement, the handling personnel shall complete the verification procedures.

VI. Insurance

(I) Except for land and securities, all collateral shall be insured against fire and other appropriate risks. The insured amount shall, in principle, not be less than the value of the collateral pledged. The insurance policy shall designate the Company as the beneficiary. The name, quantity, location, insurance terms, and endorsements stated in the policy shall be consistent with the Company's approved lending conditions.

(II) The handling personnel shall ensure that, prior to the expiration of the insurance coverage, the borrower is notified to renew the insurance.

VII. Disbursement

After a loan has been approved and the borrower has duly executed the agreement, delivered promissory notes (including installment repayment notes, if applicable), and completed the registration of pledge or mortgage over the collateral, the loan may be disbursed upon verification that all procedures have been duly completed.

Article 7: Repayment

After the loan has been disbursed, the Company shall regularly monitor the borrower's and guarantor's financial condition, business operations, and credit status. Where collateral has been provided, the Company shall also monitor any changes in its value. Two months prior to the loan maturity date, the borrower shall be notified to repay the principal and interest upon maturity or to apply for an extension.

I. Upon repayment of the loan at maturity, the borrower shall first calculate the interest payable and repay the principal together with the interest in full before any promissory notes, IOUs, or other debt repayment instruments may be cancelled and returned to the borrower.

II. Where the borrower applies for cancellation of a mortgage, the Company shall first verify whether any outstanding loan balance remains in order to determine whether to approve the cancellation of the mortgage.

Article 8: Subsequent Control Measures for Outstanding Loans and Procedures for Handling Overdue Receivables:

I. Extension

Where a borrower having business dealings with the Company requires an extension prior to the maturity of a loan, the borrower shall apply for an extension and renewal of the agreement at least two months before the due date. Such extension shall be limited to one time (six months). Upon approval by the Board of Directors, the Company shall complete the relevant procedures anew.

Where any receivable becomes overdue and cannot be recovered after collection efforts, the Company shall promptly take legal action against the debtor to safeguard its rights and interests.

II. Registration and Safekeeping of Cases

(I) When Company engages in lending of funds, it shall establish a register for recordation, in which the borrower, loan amount, date of approval by the Board of Directors, date of loan disbursement, and matters required to be carefully evaluated in accordance with these Procedures shall be duly recorded for reference.

(II) The personnel responsible for handling loan cases shall, after disbursement, organize the relevant documents, including contracts, promissory notes and other debt instruments, collateral documents, insurance policies, and correspondence, in proper order, place them into a safekeeping envelope, and indicate on the envelope the contents and the name of the client. The envelope shall then be submitted to the head of the finance department for inspection. Upon confirmation of accuracy, the envelope shall be sealed, and both parties shall sign or affix their seals in the safekeeping register before storage.

(III) The Company's internal auditors shall audit the Procedures for Lending Funds to Other Parties and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, a written notice shall be submitted to the Supervisors.

(IV) Where, due to changes in circumstances, a borrower no longer meets the requirements of these Procedures or the outstanding loan balance exceeds the prescribed limit, the internal auditors shall urge the finance department to establish a deadline for the recovery of the excess loan amount. The remediation plan shall be submitted to each supervisor, and corrective actions shall be completed in accordance with the prescribed timeline.

(V) The responsible personnel shall, by the 5th of each month, prepare a detailed statement of the Company's lending of funds to other companies for the preceding month and submit it for review through the appropriate hierarchical levels.

Article 9: Control Procedures for Subsidiaries' Lending of Funds to Others

I. Where a subsidiary of the Company intends to lend funds to others, it shall establish these Procedures and conduct such lending in accordance herewith; provided, however, that the net worth shall be calculated based on the subsidiary's net worth.

II. Each subsidiary shall, prior to the 5th of each month, prepare a detailed statement of its lending of funds to other companies for the preceding month and submit it to the Company for review.

III. The internal auditors of each subsidiary shall also audit the Procedures for Lending Funds to Other Parties and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to each Supervisor.

IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Lending Funds to Other Parties. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the President.

Article 10: Information Disclosure

I. The Company shall, by the 10th of each month, input the outstanding balance of loans of funds of the Company and its subsidiaries for the preceding month into the Market Observation Post System (MOPS).

II. Where the Company's outstanding balance of loans of funds meets any of the following thresholds, it shall, within two days from the date of occurrence of the event, input the relevant information into the Market Observation Post System (MOPS):

(I) The outstanding balance of loans of funds by the Company and its subsidiaries to others reaches 20% or more of the Company's net worth as shown in its most recent financial statements.

(II) The outstanding balance of loans of funds by the Company and its subsidiaries to a single enterprise reaches 10% or more of the Company's net worth as shown in its most recent financial statements.

(III) Any new loan of funds by the Company or its subsidiaries reaches NT$10 million or more and also reaches 2% or more of the Company's net worth as shown in its most recent financial statements.

The term “date of occurrence” as used herein refers to the earliest of the contract execution date, payment date, date of Board resolution, or any other date sufficient to determine the borrower and the loan amount.

III. Where a subsidiary of the Company is not a domestic public company and has any matter subject to public announcement and filing under Subparagraph (III) of the preceding paragraph, the Company shall make such announcement and filing on its behalf.

IV. The Company shall, in accordance with generally accepted accounting principles, assess the status of loans of funds and recognize an adequate allowance for doubtful accounts. Relevant information shall be appropriately disclosed in the financial statements, and the Company shall provide the necessary information to the Certified Public Accountant for the performance of required audit procedures.

Article 11: Penalties

Where managerial officer or responsible personnel of the Company violate these Procedures, such violations shall be subject to performance evaluation and disciplinary action in accordance with the Company’s personnel management rules and employee handbook, depending on the severity of the circumstances.

Article 12: Implementation and Amendments

These Procedures shall, upon approval by the Board of Directors, be submitted to the Supervisors and then to the shareholders’ meeting for approval prior to implementation. Where any Director expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to each Supervisor and the shareholders’ meeting for discussion. The same shall apply to any amendments thereto.

Where the Company has established Independent Directors, when these Procedures are submitted to the Board of Directors for discussion in accordance with the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.

Where the Company establishes an Audit Committee in lieu of Supervisors, the provisions of these Procedures relating to Supervisors shall cease to apply, and the Audit Committee and its Independent Director members shall exercise their duties in accordance with applicable laws and regulations.

Appendix 3

Procedures for Endorsements and Guarantees (Before Amendment)

Article 1: Purpose

These Procedures for Endorsements and Guarantees (the "Procedures") are established by the Company to strengthen the financial management of endorsements and guarantees and to reduce operational risks, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" (the "Regulations").

Article 2: Scope of Application

The term "endorsements and guarantees" as used in these Regulations includes the following:

I. Financing endorsements/guarantees:

(I) Bill discount financing.

(II) Endorsement or guarantee made to meet the financing needs of another company.

(III) Issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company itself.

II. Customs duty endorsement/guarantee, meaning an endorsement or guarantee for the Company itself or another company with respect to customs duty matters.

III. Other endorsements/guarantees, meaning endorsements or guarantees beyond the scope of the above two subparagraphs.

IV. Any creation by the Company of a pledge or mortgage on its chattel or real property as security for the loans of another company shall also comply with these Procedures.

Article 3: Counterparties Eligible for Endorsements and Guarantees

I. The Company may provide endorsements or guarantees for the following entities:

(I) Companies having business dealings with the Company.

(II) Companies in which the Company directly or indirectly holds more than 50% of the voting shares.

(III) Companies that directly or indirectly hold more than 50% of the voting shares of the Company.

II. Endorsements and guarantees may be provided among companies in which the Company directly or indirectly holds 90% or more of the voting shares; provided that the total amount shall not exceed 10% of the Company's net worth. However, endorsements and guarantees among companies in which the Company directly or indirectly holds 100% of the voting shares shall be limited to the Company's net worth.

The term “net worth” as used herein refers to the equity attributable to owners of the parent as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

III. Where the Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project, or where each of the capital contributing shareholders makes endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, or where companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other, such endorsements/guarantees may be made free of the restriction of the preceding two paragraphs. Capital contribution shall mean capital contribution directly by the Company, or through a company in which the Company holds 100% of the voting shares.

Article 4: Limits on Endorsements and Guarantees

I. The total amount of the Company’s external endorsements and guarantees shall not exceed 50% of its current net worth. The amount of endorsements and guarantees provided to a single enterprise shall not exceed 20% of the Company’s current net worth, and for a single overseas affiliated company, shall not exceed 30% of the Company’s net worth. Where endorsements and guaranees are provided due to business relationships, the amount shall not exceed the total transaction amount between the Company and the counterparty in the most recent fiscal year (whichever is higher between the purchase amount and the sales amount). The net worth shall be based on the most recent financial statements audited or reviewed by a certified public accountant.

The term “net worth” as used herein refers to the equity attributable to owners of the parent company as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

II. The total amount of external endorsements and guarantees of the Company and its subsidiaries on a consolidated basis shall not exceed 50% of the Company’s current net worth. The amount of endorsements and guarantees provided to a single enterprise shall not exceed 20% of the Company’s current net worth. The net worth shall be based on the most recent financial statements audited or reviewed by a certified public accountant. Where the total amount of endorsements and guarantees of the Company and its subsidiaries reaches more than 50% of the Company’s net worth, the Company shall explain the necessity and reasonableness thereof at the shareholders’ meeting.

Article 5: Decision-Making and Authorization Levels

I. The Company shall prudently assess whether any endorsement or guarantee complies with these Procedures and, together with the evaluation results set forth in Paragraph I of Article 6, submit the matter to the Board of Directors for approval prior to implementation. However, where necessary to meet time constraints, the Board of Directors may authorize the Chairman to make decisions within a specified limit, with such decisions to be subsequently submitted to the next Board meeting for ratification.

II. Before a subsidiary in which the Company directly or indirectly holds 90% or more of the voting shares provides an endorsement or guarantee in accordance with Subparagraph II, Paragraph I of Article 3, such matter shall be submitted to the Company's Board of Directors for approval prior to implementation. However, this requirement shall not apply to endorsements and guarantees provided among companies in which the Company directly or indirectly holds 100% of the voting shares.

III. Where the Company has established Independent Directors, in providing endorsements or guarantees for others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board Meeting Minutes.

Article 6: Endorsement and Guarantee Procedures

I. When a company receiving an endorsement or guarantee needs to use the amount of the endorsement or guarantee within the limit, it shall provide basic information and financial data and submit an application form to the Company's finance department. The finance department shall conduct a detailed evaluation to determine whether it complies with the provisions of these Procedures. Evaluation items include the necessity and reasonableness of the endorsement or guarantee, whether the endorsement or guarantee amount is commensurate with the business transaction amount, the impact on the Company's operational risks, financial condition, and shareholders' equity, and whether collateral should be obtained and its valuation.

II. The responsible personnel of the Company's finance department shall compile the relevant information and evaluation results set forth in the preceding paragraph. If, at the time of processing the endorsement or guarantee, the cumulative outstanding balance does not exceed 30% of the Company's current net worth, the matter shall be submitted to the Chairman for approval prior to implementation and subsequently reported to the next Board meeting for ratification. If the cumulative outstanding balance exceeds 30% of the Company's current net worth, the matter shall be submitted to the Board of Directors for approval and handled in accordance with its resolution.

III. The register of endorsements and guarantees established by the finance department shall record in detail the endorsed or guaranteed party, amount, date of approval by the Board of Directors or approval by the Chairman, date of the endorsement or guarantee, matters required to be carefully evaluated in accordance with these Procedures, details of the collateral and its appraised value, and the conditions and date for the release of the endorsement or guarantee obligations.

IV. Upon repayment by the endorsed or guaranteed party, relevant repayment information shall be provided to the Company so that the Company may be released from its guarantee obligations, and such information shall be recorded in the register of endorsements and guarantees.

V. The finance department shall periodically assess and recognize any contingent losses arising from endorsements and guarantees, make appropriate disclosures in the financial statements, and provide relevant information to the certified public accountant for the performance of necessary audit procedures and the issuance of an appropriate audit report.

Article 7: Custody and Procedures for Corporate Seals

The official seal designated for endorsements and guarantees shall be the Company's seal registered with the Ministry of Economic Affairs. Such seal shall be kept in the custody of a designated person approved by the Board of Directors; the same shall apply in the event of any change. When providing endorsements or guarantees, the seal shall be affixed or negotiable instruments issued in accordance with the Company's prescribed procedures. Where the Company provides guarantees for foreign entities, any guarantee letter issued by the Company shall be signed by a person authorized by the Board of Directors.

Article 8: Matters to Be Noted in Handling Endorsements and Guarantees:

I. The Company's internal auditors shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, a written notice shall be submitted to each Supervisor.

II. Where, due to changes in circumstances, an entity that originally met the requirements of Article 3 of these Procedures subsequently no longer qualifies, or where the amount of endorsements or guarantees exceeds the limits set forth in Article 4 due to changes in the basis for calculation, the internal auditors shall urge the finance department to ensure that the amount of endorsements or guarantees provided to such entity, or the excess portion, is eliminated upon expiration of the contractual term or within a specified period. The remediation plan shall be submitted to the Supervisors and reported to the Board of Directors, and corrective actions shall be completed in accordance with the prescribed timeline.

III. Where, due to business needs, the Company is required to provide endorsements or guarantees in excess of the limits prescribed under these Procedures and such arrangements meet the applicable requirements, the matter shall be approved by the Board of Directors. More than one-half of the Directors shall jointly assume liability for any potential losses arising from the excess amount, and these Procedures shall be amended and submitted to the shareholders' meeting for ratification. If the shareholders' meeting does not grant approval, the Company shall formulate a plan to eliminate the excess portion within a specified period. Where the Company has established Independent Directors, when such matters are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director, together with the reasons therefor, shall be recorded in the minutes of the Board meeting.

Article 9: Time Limits and Content for Public Announcement and Filing

I. The Company shall, by the 10th of each month, input the outstanding balance of endorsements and guarantees of the Company and its subsidiaries for the preceding month into the Market Observation Post System (MOPS).

II. Where the Company's outstanding balance of endorsements and guarantees meets any of the following thresholds, it shall, within two days from the date of occurrence of the event, input the relevant information into the Market Observation Post System (MOPS):

(I) The outstanding balance of endorsements and guarantees of the Company and its subsidiaries reaches 50% or more of the Company's net worth as stated in its most recent financial statements.

(II) The outstanding balance of endorsements and guarantees provided by the Company and its subsidiaries to a single enterprise reaches 20% or more of the Company's net worth as stated in its most recent financial statements.

(III) Where the outstanding balance of endorsements and guarantees provided by the Company and its subsidiaries to a single enterprise reaches NT$10 million or more, and the aggregate of such endorsements and guarantees, the carrying amount of equity-method investments, and the balance of loans to such enterprise reaches 30% or more of the Company's net worth as stated in its most recent financial statements.

(IV) The amount of a new endorsement or guarantee provided by the Company or its subsidiaries reaches NT$30 million or more and 5% or more of the Company's net worth as stated in its most recent financial statements.

The term "date of occurrence" as used herein refers to the earliest of the contract execution date, payment date, date of Board resolution, or any other date on which the counterparty and the amount of the endorsement or guarantee can be definitively determined.

III. Where a subsidiary of the Company is not a domestic public company and has any matter subject to public announcement and filing under Subparagraph (IV) of the preceding paragraph, the Company shall make such announcement and filing on its behalf on the Market Observation Post System.

IV. The Company shall, in accordance with International Financial Reporting Standard 9, evaluate or recognize any contingent losses arising from endorsements and guarantees, make appropriate disclosures in the financial statements, and provide relevant information to the certified public accountant for the performance of necessary audit procedures.

Article 10: Control Procedures for Subsidiaries' Endorsements and Guarantees

I. Where a subsidiary of the Company intends to provide endorsements or guarantees for others, it shall establish these Procedures and conduct such activities in accordance herewith.

II. Each subsidiary shall, prior to the 10th of each month, prepare a detailed statement of endorsements and guarantees provided for others in the preceding month and submit it to the Company for review.

III. The internal auditors of each subsidiary shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to each Supervisor.

IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Endorsements and Guarantees. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the President.

Article 11: Penalties

Where managerial officer or responsible personnel of the Company violate these Procedures, such violations shall be subject to performance evaluation and disciplinary action in accordance with the Company's personnel management rules and employee handbook, depending on the severity of the circumstances.

Article 12: Subsequent Control Measures Where the Endorsed or Guaranteed Party Is a Subsidiary with Net Worth Less Than One-Half of Paid-in Capital

Where the Company or its subsidiaries provide endorsements or guarantees for a subsidiary whose net worth is less than one-half of its paid-in capital, in addition to conducting a detailed review of the necessity, reasonableness, and risk assessment of such endorsements or guarantees in accordance with Paragraph I of Article 6, the Company shall regularly evaluate the financial condition, business operations, and credit status of such subsidiary, as well as whether any loans arising from such endorsements or guarantees have become overdue. Furthermore, when the Company's internal auditors conduct audits of subsidiaries in accordance with the annual audit plan, they shall also review the implementation of endorsements and guarantees provided by or to such subsidiaries. Any irregularities identified shall be documented and reported.

Where a subsidiary has no par value shares or a par value other than NT$10 per share, the paid-in capital as calculated in accordance with the preceding paragraph shall be determined as the sum of share capital and capital surplus—share premium.

Article 13: Implementation and Amendments

These Procedures shall, upon approval by the Board of Directors, be submitted to the Supervisors and then to the shareholders' meeting for approval prior to implementation. Where any Director expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to each Supervisor and the shareholders' meeting for discussion. The same shall apply to any amendments thereto.

Where the Company has established Independent Directors, when these Procedures are submitted to the Board of Directors for discussion in accordance with the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.

Where the Company establishes an Audit Committee in lieu of Supervisors, the provisions of these Procedures relating to Supervisors shall cease to apply, and the Audit Committee and its Independent Director members shall exercise their duties in accordance with applicable laws and regulations.

Appendix 4

Rules of Procedure for Shareholders' Meetings

Article 1: To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. The rules of procedures for this Corporation's shareholders' meetings, shall be as provided in these Rules. Matters not stipulated in these rules shall be handled under relevant laws and regulations.

Article 2: Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors or Supervisors, pre-printed ballots shall also be furnished.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

Attendance and voting at the shareholders' meeting shall be calculated based on numbers of shares.

Article 3: The venue for a shareholders' meeting shall be the premises of the Company, or a place convenient for shareholders to attend and suitable for holding a shareholders' meeting. The meeting shall not begin earlier than 9 a.m. nor not later than 3 p.m. Full consideration shall be given to the opinions of the Independent Directors with respect to the place and time of the meeting.

Article 4: The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 5: The process of the shareholders' meeting shall be audio or video-recorded throughout and retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 6: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board. When the Chairman of the Board is on leave or for any reason unable to exercise the powers of the Chairman, the vice Chairman of the Board of Directors or one of the Directors shall preside at the meeting in accordance with Article 208 of the Company Act of the Republic of China.

A shareholders' meeting convened by the Board of Directors shall be attended by a majority of the Directors.

If a shareholders' meeting is convened by a party with power to convene but 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 chair from among themselves.

Article 7: The chair shall call the meeting to order at the time scheduled for the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, Paragraph 1 of the Company Act. The aforesaid tentative resolutions shall be executed in accordance with relevant provisions of the Company Act of the Republic of China.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act of the Republic of China.

Article 8: If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.

The shareholders cannot designate any other person as chair and continue the meeting in the same or other place after the meeting is adjourned. However, in the event that the chair adjourns the meeting in violation of these Rules and Procedures, the shareholders may designate, by a majority of votes represented by shareholders attending the meeting, one person as chair to continue the meeting.

Article 9: Shareholders attending the meeting have an obligation to abide by the meeting rules, obey the resolutions, and maintain the order of the meeting place.

Article 10: When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 11: Before speaking, an attending shareholder must specify on a speaker's slip his/her shareholder account number, account name, and the subject of the speech. The order in which shareholders speak will be set by the chair.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12: The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 13: Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. The result of voting shall be announced at the meeting and placed on record.

Article 14: Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. However, if there is an objection, the voting method, the number of voting rights, and weight ratios should be specified.

Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes and handled under Article 183 of the Company Act.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results. The minutes shall be retained for the duration of the existence of the Company.

Article 15: During the meeting, the chair may, at his discretion, set time for intermission. In case of incident of force majeure, the chair may decide to temporarily suspend the meeting and announce, depending on the situation, when the meeting will resume or, by resolution of the shareholders present at the meeting, the chair may resume the meeting within five days without further notice or public announcement.

Article 16: When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 17: On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 18: The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an armband bearing the word "Proctor".

Article 19: These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix 5

FOCI Fiber Optic Communications, Inc.

Articles of Incorporation

Chapter 1 General Provisions

Article 1: The Company is organized in accordance with the Company Act and named 上詮光纖通信股份有限公司. The English name of the Company is FOCI FIBER OPTIC COMMUNICATIONS, INC.

Article 2: The businesses of the Company are set out as follows:

(1) CC01080 Electronics Components Manufacturing

(2) CC01060 Wired Communication Mechanical Equipment Manufacturing

I. Researching, developing, producing, manufacturing, and selling the following products:

(I) Optical fiber passive components: optical fiber connectors and jumpers, optical fiber couplers, optical fiber WDM, optical fiber filters, optical fiber attenuators, optical fiber isolators, optical fiber amplifiers, and optical switch, optical splitters, combinations type connector.

(II) Optical fiber testing instruments: LED/LD light source, optical power meters, optical fiber insertion loss meter, and optical fiber component testing systems.

(III) Optical fiber application system: optical fiber automatic monitoring and alarm system, optical fiber sensing and sensing system.

II. Planning, design, consulting, and technical services related to the above products and systems.

III. Import and export trade of the above products.

Article 2-1 The Company may engage in endorsements and guarantees externally to meet business or investment needs.

Article 2-2 The total amount of the Company's investment is not subject to the restriction of Paragraph 2 of Article 13 of the Company Act.

Article 3: The head office of the Company is located in Hsinchu Science Park. Subject to the approval by Board of Directors and governmental authority, the Company may set up branch office(s) in Taiwan or abroad when necessary.

Article 4: Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 5: The Company's authorized capital is set at NT$1,800,000,000, divided into 180,000,000 shares at a par value of NT$10 per share. The unissued shares are authorized to be issued by the Board of Directors in installments. Out of the total capital set forth in the preceding paragraph, NT$100,000,000, divided into 10,000,000 shares at a par value of NT$10 per share, is reserved for the exercise of stock warrants, warrants attached to preferred shares, or warrants attached to corporate bonds. Such shares may be issued in installments upon resolution of the Board of Directors.

Article 5-1 The recipients of treasury shares repurchased by the Company in accordance with law, the recipients of employee share subscription warrants, employees eligible to subscribe for newly issued shares, and the recipients of restricted shares for employees may include employees of affiliated companies meeting certain conditions, including controlled or subordinate companies. The eligibility criteria and allocation shall be determined by the Board of Directors.

Article 6: All share certificates of the Company shall be registered and shall be signed or sealed by the director representing the Company and duly certified in accordance with law prior to issuance. The Company may issue shares without printing share certificates; provided that such shares shall be registered with the securities depository institution.

Article 7: For matters concerning shares, such as share pledge registration, inheritance, gifts, reporting loss or change of seals, change of address, and reporting loss or damage of share certificates, shareholders, the Company shall handle such matters in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" unless otherwise stipulated by laws and securities regulations.

Article 8: Registration of share transfers shall be suspended during the period of sixty (60) days prior to the date of a general shareholders' meeting, thirty (30) days prior to the date of a special shareholders' meeting, and five (5) days prior to the record date fixed by the Company for the distribution of dividends, bonuses, or other benefits.

Article 8-1 The shareholders' meeting shall, unless otherwise provided by the Company Act, be convened by the Board of Directors. Where a shareholders' meeting is convened by a person other than the Board of Directors who is authorized to convene such meeting, the chair shall be assumed by such convener; where there are two or more such conveners, one shall be elected from among them to serve as the chair.

Chapter 3 Shareholders' Meeting

Article 9: Shareholders' meeting shall be of two types: regular meetings and special meetings. Regular meetings shall be convened, by the Board of Directors, within six months after the end of each fiscal year. Special meetings shall be convened in accordance with laws when necessary. Proceedings of the shareholders' meeting shall be conducted under the Company's "Rules of Procedure for Shareholders' Meetings".

The convening notice of the shareholder's meeting may be done electronically if agreed. For shareholders holding less than 1,000 registered shares, the convening notice referred to in the preceding paragraph may be issued as an announcement.

When the Company's shareholders' meeting is held, it may be held by video conference or other means announced by the central competent authority.

Article 10: Where a shareholder is unable to attend a shareholders' meeting for any reason, the shareholder may appoint a proxy to attend the meeting by executing a proxy form in accordance with Article 177 of the Company Act. The use of proxies for attendance at shareholders' meetings shall, unless otherwise provided in the Company Act, be governed by the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.

Article 11: Each share of the Company shall have one voting right, except in the circumstances where shares have no voting rights as provided under Article 179 of the Company Act.

Article 12: Unless otherwise provided in 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 issued shares.

Shareholders of the Company may exercise their voting rights by electronic means, and the relevant procedures shall be handled in accordance with applicable laws and regulations.

Article 12-1 Where the Company intends to withdraw its public offering status, such action shall be subject to approval by a resolution of the shareholders' meeting. This provision shall remain unchanged during the period in which the Company's shares are traded on the Emerging Stock Market or listed on the TWSE or TPEx.

Chapter 4 Directors and Audit Committee

Article 13: The Company shall have seven (7) to eleven (11) Directors, each serving a term of three (3) years and eligible for re-election. The total number of shares held by all Directors of the Company shall not be less than a certain percentage as prescribed by the competent securities authority.

Among the number of Directors set forth in the preceding paragraph, the number of Independent Directors shall not be fewer than three (3). The professional qualifications, shareholdings, restrictions on concurrent positions, nomination and election methods, and other compliance matters concerning Independent Directors shall be governed by the relevant regulations of the competent securities authority.

The election of Directors of the Company shall adopt a candidate nomination system, and Directors shall be elected by the shareholders from among the list of candidates.

The term "Directors" as used in these Articles shall include Independent Directors. The Company may purchase liability insurance for its Directors during their term of office with respect to liabilities arising from the performance of their duties within the scope of the Company's business, in accordance with applicable laws.

Article 13-1 In accordance with Article 14-4 of the Securities and Exchange Act, the Company shall establish an Audit Committee, which shall be composed entirely of Independent Directors.

The exercise of powers and duties of the Audit Committee and other matters to be complied with shall be governed by the Company Act, the Securities and Exchange Act, and other applicable laws and regulations, as well as the Company's internal rules and regulations.

Article 14: The Board of Directors shall be composed of the Directors. A Chairman shall be elected from among the Directors by a resolution adopted by a majority of the Directors present at a meeting attended by two-thirds or more of the Directors. A Vice

Chairman may also be elected in the same manner if deemed necessary for business operations. The Chairman shall represent the Company externally.

Article 14-1 The Board of Directors shall convene at least once each quarter. A notice specifying the reasons for convening shall be given to each Director at least seven (7) days prior to the meeting; provided, however, that in the case of emergency, the meeting may be convened at any time. Notices of Board meetings may be given in writing, by facsimile, or by electronic means, including e-mail.

Article 15: Where the Chairman is on leave or is unable to perform his or her duties for any reason, a proxy shall be appointed in accordance with Article 208 of the Company Act. Where a Director is unable to attend a Board meeting in person for any reason, the Director may appoint another Director as proxy by executing a power of attorney; provided that a proxy may accept the appointment from only one Director.

Where a Board meeting is conducted via video conference, a Director participating in the meeting through such means shall be deemed to have attended the meeting in person.

Article 16: The Company may pay remuneration to its Directors for the performance of their duties, regardless of whether the Company operates at a profit or a loss. Such remuneration shall be determined by the Board of Directors based on each Director's level of participation in the Company's operations and the value of their contributions, provided that it shall not exceed the highest level prescribed under the Company's compensation policy. Where the Company has earnings, additional compensation shall be distributed in accordance with Article 19.

Chapter 5 Managers

Article 17: The Company may appoint one (1) President. The appointment, dismissal, and remuneration of the President shall be governed by Article 29 of the Company Act.

Chapter 6 Accounting

Article 18: At the end of each fiscal year, the following reports shall be prepared by the Board of Directors to the general shareholders' meeting by the law, for approval: 1. Business report 2. Financial statements 3. Proposal on profit distribution or loss compensation.

Article 19: If there is a profit in the fiscal year, 5% to 15% shall be appropriated as employee remuneration. Of the aforementioned employee remuneration, no less than 25% shall be allocated for salary adjustments or remuneration distribution to junior employees. In addition, no more than 5% shall be appropriated as director remuneration. However, if the Company still has accumulated losses, it shall reserve a portion of its earnings to offset the losses first.

The distribution of employee compensation and Directors' remuneration shall be resolved by the Board of Directors with the approval of a majority of the Directors present at a meeting attended by two-thirds or more of the Directors, and shall be reported to the shareholders' meeting. Employee compensation may be distributed in the form of shares or cash, as resolved by the Board of Directors. The recipients of employee compensation may include employees of affiliated companies meeting certain conditions, including controlled or subordinate companies. The eligibility criteria and allocation shall be determined by the Board of Directors.

Where the Company has surplus earnings at the end of the fiscal year, such earnings shall be distributed in the following order:

I. Payment of taxes.

II. Offset of accumulated losses from prior years.

III. Allocation of 10% as legal reserve (unless the legal reserve has reached the total paid-in capital).

IV. Allocation or reversal of special reserve in accordance with applicable laws and regulations.

V. The remaining balance, together with any undistributed earnings carried forward, shall be proposed by the Board of Directors in a profit distribution plan and submitted to the shareholders' meeting for resolution.

Article 19-1 Upon a resolution adopted by the Board of Directors with the approval of a majority of the Directors present at a meeting attended by two-thirds or more of the Directors, the Company may distribute, in whole or in part, dividends, bonuses, legal reserve, or capital surplus in cash, and shall report such distribution to the shareholders' meeting. The provisions of these Articles regarding resolutions of shareholders' meetings shall not apply.

Article 20: The Company's dividend policy shall be determined in accordance with the Company Act and these Articles, taking into consideration the Company's capital and financial structure, operating conditions, earnings, and the nature and cycle of the industry in which the Company operates. Where the Company has surplus earnings for the year and the distributable earnings reach 2% or more of the paid-in capital, the dividend distribution shall not be less than 10% of the distributable earnings. Distribution of earnings shall be made primarily in cash dividends, and may also be made in the form of stock dividends; provided that the proportion of stock dividends shall not exceed 50% of the total dividends for the year.

Chapter 7 Supplementary Provisions

Article 21: Matters not specified in the Articles of Incorporation shall be handled under the provisions of the Company Act.

Article 22: The Articles of Incorporation were established on May 22, 1995. The first revision was made at the annual general meeting on July 31, 1996. The 2nd revision was made at the extraordinary general meeting on January 18, 1997. The 3rd revision was made at the annual general meeting on June 11, 1997. The 4th revision was made at the annual general meeting on April 7, 1998. The 5th revision was made at the extraordinary general meeting on May 15, 2000. The 6th revision was made at the annual general meeting on August 29, 2001. The 7th revision was made at the annual general meeting on June 20, 2002. The 7th revision was made at the extraordinary general meeting on November 11, 2002. The 8th revision was made at the extraordinary general meeting on December 15, 2003. The 9th revision was made at the annual general meeting on June 18, 2004. The 10th revision was made at the annual general meeting on June 24, 2005. The 11th revision was made at the annual general meeting on June 20, 2006. The 12th revision was made at the annual general meeting on June 27, 2007. The 13th revision was made at the annual general meeting on June 6, 2008. The 14th revision was made at the extraordinary general meeting on December 9, 2009. The 15th revision was made at the annual general meeting on May 20, 2010. The 16th revision was made at the annual general meeting on June 19, 2013. The 17th revision was made at the annual general meeting on May 31, 2016. The 18th revision was made at the annual general meeting on June 16, 2017. The 19th revision was made at the annual general meeting on June 5, 2019. The 20th revision was made at the extraordinary general meeting on September 30, 2019. The 21st revision was made at the annual general meeting on May 27, 2022. The 22nd revision was made at the annual general meeting on May 30, 2023. The 23rd revision was made at the annual general meeting on May 30, 2024. The 24th revision was made at the annual general meeting on May 23, 2025.

Appendix 6

Shareholding of Directors

As of March 30, 2026

Title	Name	Number of Shares	Shareholding Ratio %
Chairman	Song-fure Lin	5,494,910	4.84%
Director	Lee-chiou Chang	401,000	0.35%
Director	Wonderland Enterprise Co., Ltd. Legal Representative: Hao Fang	3,753,279	3.30%
Director	Ting-ta Hu	964,293	0.85%
Independent Director	Li-jen Kuo	0	0%
Independent Director	Tzu-ming Wang	0	0%
Independent Director	Tien-chang Huang	0	0%
Total		10,613,482	9.34%

Notes 1: The Company's paid-in capital is NT$1,136,405,670, and 113,640,567 shares have been issued.

Notes 2: According to Article 26 of the Securities and Exchange Act and Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum number of shares held by all Directors is 8,000,000 shares.