

Procedures for Acquisition or Disposal of Assets

(Note: This English translation is provided for reference only and might not exactly reflect the true meaning and full text of the original language.)

1. Purpose

These Procedures are enacted for the Purposes of enhancing the management of assets and making full public disclosure, so that there are rules can be followed during the acquisition or disposal of the assets.

2. This procedure is based on Article 36-1 of the "Securities and Exchange Act" and "Regulations Governing the Acquisition and Disposal of Assets by Public Companies ". Unless otherwise provided in the laws and regulations, the acquisition or disposal of the assets by the Company shall be processed in accordance with these procedures.

3. The term "Assets" as used herein includes the following:

3.1 Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.

3.2 Real property (including land, houses and buildings, and investment property) and equipment.

3.3 Memberships.

3.4 Patents, copyrights, trademarks, franchise rights, and other intangible assets.

3.5 Right-of-use assets.

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

3.7 Derivatives.

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

3.9 Other major assets.

4. Terms used in these Regulations are defined as follows:

4.1 Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

4.2 Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.

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

4.4 Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.

4.5 Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.

4.6 Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the

Mainland Area.

- 4.7 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.
 - 4.8 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.
 - 4.9 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.
 - 4.10 "Within the preceding year" as used herein refers to the year preceding the date of occurrence of the transaction.
 - 4.11 "The financial statements issuing in the most recent period" as used herein the financial statements certified or reviewed by a certified public accountant prior to the date of occurrence of the event.
5. Professional appraisers and certified public accounts with appraisal reports
- 5.1 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide public companies with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
 - 5.1.1 May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the 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.
 - 5.1.2 May not be a related party or de facto related party of any party to the transaction.
 - 5.1.3 If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.
 - 5.2 The aforementioned professionals when issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of their respective allied associations and the following:
 - 5.2.1 Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
 - 5.2.2 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.
 - 5.2.3 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.
 - 5.2.4 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
 - 5.3 Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

6. Document and data archives

The company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.

7. The appraisal and operating procedures for acquisition or disposal of asset

7.1 Securities

7.1.1

8.2.1.2 In acquiring or disposing of marketable securities thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, shall obtain an appraisal report ~~in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)~~ from certified public accountant i prior to the date of occurrence of the event.

8.2.2.3 Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal ~~in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC ARDF~~ and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:

8.2.3 In acquiring or disposing of intangible assets t, or right-of-use of intangible assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, shall obtain an appraisal report ~~in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC ARDF~~ from certified public accountant prior to the date of occurrence of the event.

10.1.2 When the acquisition or disposal of equipment / real property for business use or right-of-use of equipment / real property for business use to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Board of Directors may authorize the chairman to decide such matters, and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting.

10.1.3 When a matter is submitted for discussion by the board of directors pursuant, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.

10.1.4 If the Company or its subsidiary that is not a domestic public offering company conducts a transaction outlined in 10.1.1, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the materials listed in 10.1.1.1~10.1.1.7 to the shareholders meeting for approval before it may sign the transaction contract and make payments. However, transactions between the Company and its subsidiaries or between its subsidiaries shall not be subject to this provision.

10.1.5 The calculation of the transaction amount refer to preceding paragraph shall be made in accordance with the Section 2, Article 31 of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", Items that have been recognized by shareholders meeting and audit committee and approved by the board of directors need not be counted toward the transaction amount.

13.1 Information disclosure procedures

13.1.6.1 Trading of domestic government bonds or the foreign government bonds with a credit rating not lower than our country's sovereign rating.