

Operational Procedures for Acquisition or Disposal Assets

1. Purpose:

These procedures are formulated to ensure compliance with the management operations of the Company in acquiring or disposing of assets.

2. Scope:

The scope of application of assets referred to in this procedure is as follows:

- 2.1 Investments in stocks, public bonds, corporate bonds, financial bonds, commendation fund securities, depositary receipts, subscription (sale) warrants, beneficiary securities and asset-based securities.
- 2.2 Real estate (including land, buildings and buildings, investment real estate, land use rights) and equipment.
- 2.3 Membership card.
- 2.4 Intangible assets such as patent rights, copyrights, trademark rights, and franchise rights.
- 2.5 Right-of-use assets.
- 2.6 Claims of financial institutions (including receivables, foreign exchange discounts and loans, and collections).
- 2.7 Derivative commodities.
- 2.8 Assets acquired or disposed of due to legal merger, division, acquisition or share transfer.
- 2.9 Other important assets

3. Definition:

- 3.1 Derivatives: refers to forward contracts, option contracts, and futures contracts whose value is derived from specific interest rates, financial instrument prices, commodity prices, exchange rates, price or rate indexes, credit ratings or credit indexes, or other variables. , leveraged margin contracts, exchange contracts, combinations of the above contracts or combined contracts or structured commodities embedded in derivatives, etc. The so-called forward contract does not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts and long-term purchase (sales) contracts.
- 3.2 Assets acquired or disposed of in accordance with legal mergers, divisions, acquisitions or share transfers: refer to assets that are acquired or disposed of in accordance with the Enterprise Mergers and Acquisitions Law, the Financial Holding Company Law, Assets acquired or disposed of as a result of a merger, division or acquisition under the Financial Institutions Merger Act or other laws, or the issuance of new shares and the transfer of shares of another company in accordance with Article 156-3 of the Company Law (hereinafter referred to as the transfer of shares).
- 3.3 Related parties and subsidiaries: shall be identified in accordance with the financial reporting standards for securities issuers.
- 3.4 Professional appraisers: refer to real estate appraisers or others who are legally allowed to engage in the business of appraising real estate and other fixed assets.
- 3.5 Date of occurrence: refers to the transaction signing date, payment date, entrustment transaction date, transfer date, board resolution date or other sufficient funds to confirm the transaction. Whichever date is the date of the transaction object and the transaction amount, whichever is earlier. However, for investors that require approval from the competent authority, the earlier of the opening date or the date of receipt of approval from the competent authority.
- 3.6 Investment in the Mainland Area: refers to investment or technical cooperation in the Mainland Area in accordance with the provisions of the Investment Review Committee of the Ministry of Economic Affairs.
- 3.7 Those who specialize in investment: refer to financial holding companies, banks, insurance companies, bill finance companies, trust industries, securities firms operating self-operated or

underwriting businesses, and self-operated securities companies that are established in accordance with legal provisions and are managed by local financial authorities. Futures merchants, securities investment trust enterprises, securities investment consulting enterprises and fund management companies operating businesses.

3.8 Stock exchanges: Domestic stock exchanges refer to Taiwan Stock Exchange Co., Ltd.; foreign stock exchanges refer to any

What is an organized securities trading market that is managed by the country's securities regulatory authority.

3.9 Business premises of securities firms: Business premises of domestic securities firms refer to places where securities firms set up dedicated counters for trading in accordance with the regulations for the administration of securities trading at business premises of securities firms; business premises of foreign securities firms refer to places that are managed by foreign securities regulatory authorities and can be the business premises of a financial institution that engages in securities business.

3.10 Within one year: Based on the date of acquisition or disposal of assets, it is calculated retrospectively for one year, and the announced part is not included in the calculation.

3.11 The most recent financial statements: refer to the financial statements that the company has disclosed in accordance with the law and have been verified and certified by accountants before acquiring or disposing of assets.

4. Reference documents:

4.1 The provisions of Article 36-1 of the Securities and Exchange Law.

4.2 The guidelines for the handling of assets acquired or disposed of by publicly listed companies promulgated by the Financial Supervisory Commission of the Executive Yuan.

5. Rights and Responsibilities:

5.1 Chairman

The following authorities are authorized by the chairman of the board of directors to each unit according to the company's approval authority standards:

5.1.1 The Company acquires or disposes assets that are part of short-term financial fund deployment (such as buying and selling bonds with buy-back or sell-back conditions, bond funds, etc.), and the amount of each transaction does not exceed the standard of NT\$100 million.

5.1.2 Except for short-term financial capital deployment, the amount of each transaction in which the company acquires or disposes assets does not exceed the standard of NT\$20 million.

5.2 Board of Directors

5.2.1 The Company acquires or disposes assets that are part of short-term financial fund deployment (such as buying and selling bonds with buy-back or sell-back conditions, bond funds, etc.), and the amount of each transaction exceeds the standard of NT\$100 million; except Except for short-term financial capital deployment, if the company acquires or disposes assets with a transaction amount exceeding the standard of NT\$20 million, it must be submitted to the board of directors for approval before proceeding.

5.2.2 If the Company acquires or disposes of marketable securities that involve short-term financial capital deployment (such as buying and selling bonds with buy-back or sell-back conditions, bond funds, etc.), it may be approved by the chairman of the board and then submitted to the board of directors afterwards. Recognize it posthumously.

5.2.3 The resolution on the acquisition or disposal of assets is passed.

5.3 Shareholders' meeting:

If the company acquires or disposes of assets, which falls under the circumstances specified in Article 185 of the Company Law, it must first obtain the approval of the shareholders' meeting before proceeding.

5.4 Audit Committee: Obtain or dispose of the review and approval of asset disposal procedures.

5.5 Financial unit: The execution unit of the company regarding long-term and short-term securities investment.

User unit and related authority and responsibility unit: execution unit of real estate and other fixed assets.

6. Flowchart:
(not applicable)

7. Procedure/Method:

7.1 Evaluation Procedure:

7.1.1 Regarding the assessment of asset acquisition or disposal, the feasibility assessment report must be prepared by the asset sponsor and approved in accordance with the company's approval authority.

7.1.2 In addition to assessing the credit risk, market risk, liquidity risk, operational risk, legal risk and benefit of assets acquired or disposed of, experts should be invited to issue opinions as a reference in the following manner.

7.1.2.1 The Company acquires or disposes of real estate, equipment or right-of-use assets. Except for transactions with domestic government agencies, local commissioning of construction, or acquisition and disposal of equipment or its right-of-use assets for business use, the transaction amount reaches the Company's actual If the capital received exceeds 20% or NT\$300 million, a valuation report issued by a professional valuer must be obtained before the date of occurrence, and must meet the following requirements:

7.1.2.1.1 When it is necessary to use a limited price, a specific price or a special price as the reference basis for the transaction price due to special reasons, the transaction shall first be approved by a resolution of the board of directors. If there are subsequent changes in transaction conditions, the above shall also apply. Open the procedure.

7.1.2.1.2 If the transaction amount exceeds NT\$1 billion, two or more professional valuers should be invited to conduct valuation.

7.1.2.1.3 The valuation results of professional valuers fall into one of the following circumstances. Unless the valuation results of the assets acquired are higher than the transaction amount, or the valuation results of the assets disposed of are lower than the transaction amount, an accountant should be consulted to analyze the reasons for the differences and Express specific opinions on the adequacy of the transaction price:

7.1.2.1.3.1 The difference between the valuation result and the transaction amount exceeds 20% of the transaction amount.

7.1.2.1.3.2 The difference between the valuation results of two or more professional valuers exceeds 10% of the transaction amount

7.1.2.1.4 The date of the report issued by the professional appraiser and the date of establishment of the contract shall not exceed three months. However, if the current value announced in the same period is applicable and it is less than six months ago, the original professional valuer may issue an opinion letter.

7.1.2.2 When the company acquires or disposes of marketable securities, it should first obtain the most recent financial statements of the target company that have been verified and certified by accountants before the date of occurrence as a reference for evaluating the transaction price. If the transaction amount reaches 20% of the company's paid-in capital or more than NT\$300 million, and the following circumstances occur, an accountant should be consulted to express an opinion on the reasonableness of the transaction price before the fact occurs. This does not

apply, however, if the securities have public quotations in an active market or the competent authority otherwise stipulates.

- 7.1.2.3 If the company acquires or disposes of intangible assets or its right-of-use assets or membership certificates, the transaction amount exceeds 20% of the company's paid-in capital or NT\$300 million, except for transactions with government agencies, it shall be based on the facts. Contact an accountant to express an opinion on the reasonableness of the transaction price before the date of occurrence.
- 7.1.2.4 The calculation of the transaction amount in the first three articles (7.1.2.1, 7.1.2.2, 7.1.2.3) shall be carried out in accordance with the provisions of item 7.6.1, and the so-called "within one year" is based on the date of the transaction. Calculated retrospectively one year, the valuation report or accountant's opinion issued by a professional valuation in accordance with the provisions of these standards will not be included in the calculation.
- 7.1.3 Price determination method and reference basis:
 - 7.1.3.1 The acquisition or disposal of securities that have been traded in the centralized trading market or the business premises of securities firms shall be determined based on the transaction amount at that time.
 - 7.1.3.2 The acquisition or disposal of equity securities traded in non-concentrated trading markets or securities dealers' business premises shall be determined by considering their net worth per share, profitability, future development potential and with reference to the current transaction price.
 - 7.1.3.3 The acquisition or disposal of fixed-income securities traded in non-centralized trading markets or securities dealers' business premises shall be determined after taking into account the prevailing market interest rates, bond coupon rates and the creditworthiness of the debtor.
 - 7.1.3.4 The acquisition or disposal of real estate shall be determined with reference to the announced present value, assessed value, actual transaction price of adjacent real estate, appraisal results, etc.
 - 7.1.3.5 The acquisition or disposal of other fixed assets shall be done through price comparison, negotiation or bidding.
- 7.1.4 The Company obtains valuation reports or opinions from accountants, lawyers, or securities underwriters, the professional valuer and its valuation personnel, Accountants, lawyers or securities underwriters should meet the following requirements:
 - 7.1.4.1 Have not violated the Company Law, Securities and Exchange Law, Banking Law, Insurance Law, Financial Holding Company Law, Commercial Accounting Law, etc.
The law, or fraud, breach of trust, embezzlement, forgery of documents, or business crimes, and be sentenced to a term of imprisonment of more than one year.
The sentence is pronounced. However, this does not apply to cases where execution has been completed, probation has expired, or three years have passed since pardon.
 - 7.1.4.2 The parties to the transaction shall not be related parties or have substantial related parties.
 - 7.1.4.3 If the company should obtain valuation reports from more than two professional valuations, different professional valuations or valuation personnel shall not communicate with each other.
The situation of being a related party or a person with substantial related party.
 - 7.1.4.4 When issuing a valuation report or opinion letter, it shall be handled in accordance with the self-regulatory regulations of each trade association to which it belongs and the following matters:
 - 7.1.4.4.1 Before accepting a case, one should carefully evaluate one's professional abilities, practical experience and independence.

7.1.4.4.2 When executing a case, appropriate work procedures should be properly planned and implemented, and conclusions should be drawn and issued accordingly.

Prepare a report or opinion letter; and publish the procedures, data collected and conclusions in detail in the case working papers.

7.1.4.4.3 The appropriateness and rationality of the data sources, parameters and information used should be evaluated item by item as the basis for issuing a valuation report or opinion letter.

7.1.4.4.4 Statement matters should include matters such as the relevant personnel being professional and independent, having evaluated that the information used is appropriate and reasonable, and complying with relevant laws and regulations.

7.2 Operating procedures:

7.2.1 The company's procedures for acquiring or disposing of assets shall comply with laws and company regulations.

7.2.2 The amount of each transaction for acquiring or disposing of assets can only be done after it is approved in accordance with the approval authority table.

7.2.3 Obtain non-business real estate and securities quotas

7.2.3.1 The total amount of real estate acquired not for business use shall not exceed 40% of the company's net worth.

7.2.3.2 The total amount of securities obtained shall not exceed 40% of the company's net worth. Individual securities may be obtained.

The amount of the bonds shall not exceed 30% of the company's net worth.

7.3 Obtain real estate related procedures from related parties

7.3.1 The acquisition or disposal of assets by the Company and its related parties shall be handled in accordance with the provisions of these procedures and shall also be handled in accordance with the following provisions.

In addition to matters related to resolution procedures and evaluation of the reasonableness of transaction conditions, if the transaction amount reaches more than 10% of the company's total assets, a valuation report issued by a professional appraiser or an accountant's opinion must be obtained in accordance with the provisions of these procedures to calculate the transaction amount. , should be handled in accordance with the provisions of 7.1.2.4. When determining whether a transaction object is a related party, in addition to paying attention to its legal form, the substantive relationship should also be considered.

7.3.2 The company acquires or disposes of real estate or its right-of-use assets from related parties, or acquires or disposes other assets other than real estate or its right-of-use assets with related parties, and the transaction amount reaches 20% of the company's paid-in capital. . If the total assets exceed 10% or NT\$300 million, except for buying and selling public bonds, bonds with buy-back or sell-back conditions, and subscribing for or buying back money market funds issued by domestic securities investment trust enterprises, the following information should be submitted: , and only after submitting it to the audit committee for approval and submitting a resolution to the board of directors for approval, can the transaction contract be signed and the payment made:

7.3.2.1 The purpose, necessity and expected benefits of acquiring or disposing of assets.

7.3.2.2 Reasons for selecting the relevant person as the transaction object.

7.3.2.3 Obtain real estate or its right-to-use assets from related parties, and evaluate the predetermined transaction conditions in accordance with the provisions of 7.3.3 and 7.3.4.

7.3.2.4 The original acquisition date and price of the related party, the transaction object and its relationship with the company and related parties, etc.

7.3.2.5 Predict the cash receipts and payments for each month of the next year starting

from the contract month, and evaluate the necessity and resources of the transaction.

7.3.2.6 A report issued by a professional appraiser obtained in accordance with 7.3.1, or an accountant's opinion.

7.3.2.7 Regarding the restrictions and other important agreed matters of this transaction, the calculation of the transaction amount shall be carried out in accordance with the provisions of 7.6.1, and the so-called "within one year" is based on the date of the occurrence of this transaction and is calculated retrospectively. For one year, the part that has been submitted to the Audit Committee and the Board of Directors for approval in accordance with the provisions of this procedure shall be exempted from further calculation. When the company and its subsidiaries, or its subsidiaries that directly or indirectly hold 100% of the issued shares or total capital, engage in the following transactions, the board of directors may authorize the chairman of the board to make a decision within the amount in accordance with Article 5.1.2, and then raise the amount later. The latest board of directors ratification reported: