

Stock Code: 8084



2026 Annual Shareholders' Meeting Meeting Handbook

Physical shareholders' meeting

June 11, 2026

B2, No. 716, Zhongzheng Rd., Zhonghe Dist.,

New Taipei City

(Far East Century Plaza Phase II Building L

Management Committee Meeting Room)

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Chip Hope Co., Ltd
2026 Annual Shareholders' Meeting Agenda

Time: 9 AM June 11 (Thursday), 2026

Venue: B2, No. 716, Zhongzheng Rd., Zhonghe Dist., New Taipei City
(Far East Century Plaza Phase II Building L Management
Committee Meeting Room)

Chairman: Jia-Jun Tang

Meeting Agenda:

- I. Meeting Called to Order
- II. Chairperson's opening remarks
- III. Status Report
 - Report I : 2025 Business Report
 - Report II : 2025 Audit Committee's Review Report
 - Report III: FY2025 Private Placement of Common Stock – Implementation Status Report
- IV. Matters for Ratification
 - Case I: 2025 Annual Accounting Final Reports
 - Case II: 2025 Deficit Appropriation
- V. Matters for Discussion
 - Proposal I:
Amendments to "Procedures for Acquisition or Disposal of Assets "
 - Proposal II:
Amendments to " Articles of Incorporation "
- VI. Election Matters
 - By-election of one independent director
- VII. Other Matters
 - Proposal for Lifting Non-Compete Restrictions on Newly Elected Directors
- VIII. Extempore Motions
- IX. Meeting Concluded

I. Status Report:

Case I

Subject: Please review 2025 Business Report.

Explanation: Please refer to Attachments 1 of the handbook for 2025 business report.

Case II

Subject: Please review 2025 Audit Committee's Review Report.

Explanation: Please refer to Attachments 2 of the handbook for 2025 audit committee's review report.

Case III

Subject: FY2025 Private Placement of Common Stock – Implementation Status Report

Explanation: The shareholders' regular meeting of the Company held on June 9, 2025 approved a private placement of common shares with a total amount of NT\$100 million, to be issued in up to two tranches within one year. As of the current period, the unused issuance quota remains NT\$100 million. It is proposed that the remaining issuance will not be further executed.

II. Matters for Ratification:

Case I: (Proposed by the Board of Directors)

Subject: Please ratify 2025 Financial Statements.

Explanation:

1. The 2025 business report, parent company only financial statements, consolidated financial statements, and deficit appropriation have been resolved by the Audit Committee and Board of Directors.
2. The Company's 2025 Financial Statements have been audited by Benison Associated CPAs' Firm Hsin-Yuan Wang and Yu-Ya Lin. The CPAs have issued audit report for the financial statements.
3. Please refer to Attachments 1 and Attachments 3 of the handbook for the above-mentioned business report, independent auditors' report, parent company only financial statements, and consolidated financial statements.

Resolution:

Case II: (Proposed by the Board of Directors)

Subject: Please ratify 2025 Deficit Appropriation

Explanation:

1. The beginning unappropriated deficit was NT\$81,559,459. The Company recorded a net loss of NT\$126,280,911 for the year 2025, resulting in an ending unappropriated deficit of NT\$207,840,370. No dividend will be distributed.
2. Please refer to Attachments 4 of the handbook for 2025 deficit appropriation.

Resolution:

III. Matters for Discussion

Case I: (Proposed by the Board of Directors)

Subject: Please discuss the amendments to “Procedures for Acquisition or Disposal of Assets”.

Explanation:

- I. To align with the Company’s future operational needs, it is proposed to amend the relevant provisions of the “Procedures for Acquisition or Disposal of Assets.”
- II. Please refer to Attachments 5 of the handbook for the comparison table of amendments to " Procedures for Acquisition or Disposal of Assets".

Resolution:

Case II: (Proposed by the Board of Directors)

Subject: Please discuss the amendments to “Articles of Incorporation”.

Explanation:

- I. To align with the Company’s future operational needs, it is proposed to amend the relevant provisions of the “Articles of Incorporation”.
- II. Please refer to Attachments 6 of the handbook for the comparison table of amendments to "Articles of Incorporation".

Resolution:

IV. Election Matters:

Subject: By-elect one Independent Director.

Explanation:

1. In accordance with the Company’s Articles of Incorporation, the Company shall have seven to nine directors (including at least three independent directors). This annual shareholders’ meeting proposes to elect one independent director to fill the vacancy.
2. The new independent director will take office immediately after the annual shareholders' meeting. The tenure will end until the end of the term of the directors on May 15, 2027.
3. The slate of independent director nominees was approved by the Board of Directors on March 30, 2026. Please refer to Attachments 7 of this handbook for the list of independent director nominees.
4. Please elect

Resolution:

V. Other Matters

Case I: (Proposed by the Board of Directors)

Subject: Resolution to Lift the Restriction on Competition for Newly Appointed Directors and their Representatives.

Explanation:

1. The Company proposes to release the non-compete restrictions imposed on the newly elected independent director(s) at the 2026

annual shareholders' meeting. Pursuant to Article 209 of the Company Act, the proposal is hereby submitted to the shareholders' meeting for approval. For the concurrent positions held by the independent director nominee(s), please refer to Attachment 7 of this handbook

Resolution:

VI. Extempore Motions:

VII. Meeting Adjourned

Chip Hope Co., Ltd

2025 Business Report

I. 2025 Business Results

(I) The implementation results of the business plan

The Company's main products are "IC application products, restaurant, and biotechnology and medical aesthetics businesses".

The Company's operating revenue in 2025 is NT\$566,640 thousand, which reduced NT\$69,324 thousand comparing to NT\$635,964 thousand in 2024. Net loss after tax for 2025 amounted to NT\$153,153 thousand, a decrease of NT\$225,688 thousand compared to NT\$72,535 thousand in 2024.

(II) Financial Revenues and Expenditures, and Profitability

i. Financial Revenues and Expenditures

Unit: NT\$ Thousand

| | 2025 | 2024 |
|--|-----------|-----------|
| Net Operating Revenue | 566,640 | 635,964 |
| Operating Costs | (328,242) | (384,289) |
| Gross Profit from Operations | 238,398 | 251,675 |
| Operating Expenses | (376,069) | (201,454) |
| Operating Profit | (137,671) | 50,221 |
| Non-operating Income and Expenses | (14,363) | 27,009 |
| Net Profit Before Tax | (152,034) | 77,230 |
| Net Profit After Tax | (153,153) | 72,535 |
| Net Profit Attributable to Parent Company Shareholders | (126,280) | 69,932 |
| Earnings Per Share (NT\$) | (1.82) | 1.01 |

ii. Profitability Analysis

| | 2025 | 2024 |
|--|---------|-------|
| Asset Return Rate (%) | (8.07) | 6.61 |
| Equity Return Rate (%) | (14.72) | 12.28 |
| Pre-tax Net Profit to Paid-in Capital Ratio (%) | (21.87) | 11.11 |
| Net Profit Margin (%) | (27.03) | 11.41 |
| Earnings Per Share (NT\$) | (1.82) | 1.01 |

(III) Status of research and development

The Company's principal business operations include IC application products, biotechnology and medical aesthetics businesses, and restaurant operations. The Company continues to invest in the research and development of related technologies and products to enhance its market competitiveness and overall operating performance.

With the increasing prevalence of mobile devices and various consumer electronics, modern individuals are exposed to high-decibel or complex acoustic environments for extended periods, leading to a growing and increasingly younger demand for hearing health solutions. The Company continues to invest in research and development, focusing on the optimization of audio signal processing technologies, including enhanced processing speed, improved adaptive noise reduction technologies, refined feedback cancellation, and improved speech recognition clarity, thereby ensuring low distortion and high sound quality performance across diverse acoustic environments. At the same time, through the integration of AI algorithms and edge computing technologies, the Company is developing intelligent hearing application products, such as open-fit hearing enhancement devices, to improve speech recognition capability and voice focusing performance, while also taking into account wearing comfort, battery life, and ease of use. This aims to provide users with a more natural and fatigue-free long-term wearing auditory experience, and to meet the hearing assistance needs of various user groups.

In the biotechnology and medical aesthetics sector, the Company continues to monitor market trends and changes in consumer demand, and strengthens product optimization, safety assessments, and differentiated competitive advantages, thereby gradually establishing a professional brand image and market credibility.

In the restaurant operations segment, the Company focuses on enhancing operational efficiency and creating differentiated customer experiences, and continuously invests in menu innovation and product mix optimization. Through the analysis of consumption trends, dietary habits, and regional market characteristics, the Company dynamically adjusts menu offerings and pricing strategies to strengthen product competitiveness and brand recognition. In addition, the Company actively introduces data-driven management and cost control mechanisms, and selects business locations with growth potential to enhance overall revenue performance. Going forward, the Company will continue to pursue innovation-driven development, integrate service quality enhancement with customer experience optimization, and strengthen brand attractiveness and market competitiveness to ensure sustainable corporate development.

(IV) Budget execution status

In accordance with current legal regulations, the company has not released financial forecasts for 2025.

II. Outline of the 2025 Business Plan

(I) Operating Policies

In the IC application products segment, as human life expectancy continues to increase and reliance on consumer electronics grows, the demand for hearing assistance solutions has also risen significantly. According to estimates by the World Health Organization (WHO), by 2050 more than 900 million people worldwide will suffer from disabling hearing loss. In addition, the U.S. government has officially announced that, since 2020, over-the-counter (OTC) hearing aids may be sold through medical device channels and retail stores, presenting a clear market opportunity that is expected to drive substantial growth in the hearing aid market.

In the biotechnology and medical aesthetics segment, the Company provides customized medical aesthetic services through the introduction of advanced medical equipment and cooperation with medical aesthetic clinics.

In the restaurant segment, the Company continues to expand its customer base beyond the Greater Taipei area and actively extends into other regions by selecting locations with strong consumer spending power and high foot traffic to increase the number of outlets and boost revenue.

In terms of products, in addition to satisfying consumer preferences and offering customized products, the Company enhances consistency in its premium dessert offerings so that customers can enjoy the same quality across all locations. The Company also provides frozen ready-to-eat meals, enabling customers to enjoy restaurant-quality cuisine at home.

In summary, the Company's sales strategy focuses on continuously expanding its customer base and broadening both the depth and scope of product applications.

(II) Important Production and Sales Strategies

Sign long-term supply agreements with upstream suppliers to ensure the stability of raw material sources.

Keep close contact with our existing customers and seize the market sales trend of our customers to provide our customers with the most desired products.

Pay close attention to overseas market trends, closely monitor the linkage between local government implementation plans and the Company's product development, and effectively obtain first-hand business opportunities.

Brand expansion and diversification development: The Company continues to strengthen its competitiveness in the premium dining, wedding banquet, and medical aesthetics businesses, and further develops diversified products and services, such as emerging market demands for low-carbon dining, in order to attract a broader range of consumer segments.

III. Future Development Strategies

The Group will continue to expand and develop a healthy product revenue structure, integrate and analyze customer needs by data, connect upstream and downstream, drive supply chain management, generate innovative business models and provide customers with higher value-added services.

IV. Effect of external competitive environment, regulatory environment and overall operating environment

Amid the acceleration of global supply chain restructuring, ongoing escalation of geopolitical risks, and continued uncertainty in monetary policies among major economies, global economic growth momentum has slowed. Although inflationary pressures have eased from their peak, regulatory requirements on cybersecurity, personal data protection, product safety, and sustainability disclosures across various jurisdictions have become increasingly stringent, resulting in higher compliance costs for enterprises and posing new challenges to operational management. Meanwhile, climate change and ESG-related issues continue to intensify, and supply chain carbon management and green transformation have become key industrial development priorities.

Under the interplay of these multiple factors, market competition has intensified and pricing pressure has increased. The Company will continue to optimize its product portfolio and cost structure, focus on the development of high value-added and differentiated products, and deepen its strategic deployment in AI edge computing-related applications. The Company will also actively expand niche markets and diversified application scenarios to enhance product competitiveness and gross margin structure.

At the same time, the Company will strengthen digital marketing and channel integration to enhance brand visibility and customer stickiness, and further reinforce after-sales services and technical support to solidify existing customer relationships and expand new customer bases, in response to challenges arising from external environmental changes.

Chairman:
Jia-Jun Tang

President:
Jia-Jun Tang

Chief Accounting Officer:
Min-Chun Chen

Audit Committee Review Report

The Board of Directors has prepared and submitted the Company's 2025 Business Report, financial statements, and proposal for deficit appropriation. These documents have been reviewed by the Audit Committee, which concluded that they fairly present the Company's operating results.

In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, this matter is hereby submitted to the shareholders' meeting for review.

Chip Hope Co., Ltd

Audit Committee convener:, Xiao-Yue Cao

March 16, 2026

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Chip Hope Co., Ltd.

Opinion

We have audited the accompanying financial statements of Chip Hope Co., Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2025 and 2024, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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.

Emphasis of Matter

We draw attention to Notes 9 and 11 to the parent company only financial statements, which describe the execution of a significant equity acquisition agreement by Chip Hope Co., Ltd. and the subsequent withdrawal of its cash capital increase plan. Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's financial statements for the year ended December 31, 2025 are stated as follows:

Revenue from restaurant industry of the subsidiary

For the accounting policies on investments accounted for using the equity method, please refer to Note 4(6) of the parent company only financial statements; for details of such investments, please refer to Note 6(8) of the parent company only financial statements.

The operating revenue of Ji Pin Restaurant Co., Ltd., a subsidiary of Chip Hope Co., Ltd. accounted for using the equity method, is significant to the financial statements for the year ended December 31, 2025. Therefore, the auditor has identified the restaurant revenue of the said subsidiary as a key audit matter for Chip Hope Co., Ltd. The description of the key audit matter for Ji Pin Restaurant Co., Ltd. is as follows:

For the year ended December 31, 2025, the net restaurant revenue of Ji Pin Restaurant Co., Ltd. amounted to \$339,122 thousand. Such revenue is generated through various operating locations directly from consumers, characterized by a high volume of transactions with small individual amounts, and heavily relies on the Point of Sale (POS) systems to collect and summarize daily revenue information. During 2025, Ji Pin Restaurant Co., Ltd. operated a total of four locations. Except for one department store location that was closed in July 2025 and accounted for a relatively small proportion of the operating revenue, the remaining three direct-operated locations issue invoices directly to consumers. The accounting department recognizes operating revenue after manually reconciling the daily POS reports from each outlet with the summarized cash and credit card collections. For the year ended December 31, 2025, the net operating revenue from these three locations amounted to \$331,607 thousand. Since the recognition of such revenue heavily relies on the manual reconciliation of various vouchers and reports, the auditor has identified the accuracy of revenue recognition for the aforementioned locations as a key audit matter.

The audit procedures performed by the accountant include the following:

1. Obtained an understanding of the internal controls relevant to the restaurant revenue of the direct-operated locations.
2. Performed analytical procedures on the gross profit margin of each direct-operated location; selected samples from the revenue sub-ledger to perform tests of details, and verified whether the recognized amounts, invoiced amounts, and collected amounts were consistent with the daily sales reports.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company 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 Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 auditing standards generally accepted in 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 financial statements.

As part of an audit in accordance with the auditing standards generally accepted in 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 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2024, and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partners on the audits resulting in this independent auditors' report are Hsin-Yuan Wang and Yu-Ya Lin

Benison Associated CPA's Firm

Taipei, Taiwan

Republic of China

March 30, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail

Chip Hope Co., Ltd.
PARENT COMPANY ONLY BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

| ASSETS | December 31, 2025 | | December 31, 2024 | |
|--|-------------------|-----|-------------------|-----|
| | Amount | % | Amount | % |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents (Note 6(1)) | \$ 29,316 | 4 | \$ 108,688 | 16 |
| Financial assets at fair value through profit or loss - current (Note 6(2)) | 7,419 | 1 | 8,736 | 2 |
| Accounts receivable, net (Note 6(3)) | 24,635 | 3 | 106,271 | 16 |
| Finance lease receivable (Note 6(4)) | 16,332 | 2 | - | - |
| Other receivables | 5,238 | 1 | 68 | - |
| Other receivables from related parties (Note 7) | 45,289 | 7 | 10,064 | 3 |
| Current tax assets (Note 6(24)) | 491 | - | 327 | - |
| Inventories (Note 6(5)) | 28,798 | 4 | 26,474 | 4 |
| Prepayments | 6,639 | 1 | 7,470 | 1 |
| Other financial assets - current (Note 8(1)) | 31,430 | 4 | - | - |
| Total current assets | 195,587 | 27 | 268,098 | 42 |
| NON-CURRENT ASSETS | | | | |
| Financial assets at fair value through other comprehensive income - non-current (Note 6(6)) | - | - | - | - |
| Investments accounted for using equity method (Note 6(8)) | 335,544 | 48 | 212,321 | 32 |
| Property, plant and equipment (Note 6(9)) | 48,888 | 7 | 34,283 | 5 |
| Right-of-use assets (Note 6(10)) | 25,294 | 4 | 9,716 | 1 |
| Intangible assets (Note 6(11)) | 123 | - | - | - |
| Deferred tax assets (Note 6(24)) | - | - | - | - |
| Prepayments for equipment | - | - | 41,283 | 6 |
| Refundable deposits | 28,304 | 4 | 1,818 | - |
| Prepayments for Investment (Note 6(12)) | - | - | 92,200 | 14 |
| Long-term finance lease receivable (Note 6(4)) | 73,978 | 10 | - | - |
| Total non-current assets | 512,131 | 73 | 391,621 | 58 |
| TOTAL | \$ 707,718 | 100 | \$ 659,719 | 100 |

(Continued)

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| LIABILITIES AND EQUITY | December 31, 2025 | | December 31, 2024 | |
|--|-------------------|-------------|-------------------|-------------|
| | Amount | % | Amount | % |
| CURRENT LIABILITIES | | | | |
| Short-term borrowings (Note 6(13)) | \$ 48,120 | 7 | \$ - | - |
| Contract liabilities - current (Note 6(17)) | 4,226 | 1 | 6,795 | 1 |
| Accounts payable | 3,386 | - | - | - |
| Other payables (Note 6(14)) | 14,536 | 2 | 5,620 | 1 |
| Other payables to related parties (Note 7) | 32,400 | 5 | 4 | - |
| Current tax liabilities (Note 6(24)) | - | - | - | - |
| Current lease liabilities (Note 6(10)) | 10,250 | 1 | 3,144 | - |
| Other current liabilities | 3,895 | 1 | 144 | - |
| Total current liabilities | <u>116,813</u> | <u>17</u> | <u>15,707</u> | <u>2</u> |
| NON-CURRENT LIABILITIES | | | | |
| Non-current lease liabilities (Note 6(10)) | 75,488 | 11 | 25,369 | 5 |
| Deferred tax liabilities (Note 6(24)) | 90 | - | 101 | - |
| Guarantee deposits received | 2,680 | - | 30 | - |
| Total non-current liabilities | <u>78,258</u> | <u>11</u> | <u>25,500</u> | <u>5</u> |
| Total liabilities | <u>195,071</u> | <u>28</u> | <u>41,207</u> | <u>7</u> |
| EQUITY | | | | |
| Share capital (Note 6(16)) | | | | |
| Ordinary shares | 695,142 | 98 | 695,142 | 105 |
| Total share capital | <u>695,142</u> | <u>98</u> | <u>695,142</u> | <u>105</u> |
| Capital surplus (Note 6(16)) | | | | |
| Capital surplus, changes in ownership interests in subsidiaries | 20,460 | 3 | - | - |
| Retained earnings (Note 6(16)) | | | | |
| Legal reserve | 1,268 | - | 1,268 | - |
| Special reserve | 3,259 | - | 3,259 | - |
| Accumulated deficit | (207,840) | (29) | (81,560) | (12) |
| Total retained earnings | <u>(203,313)</u> | <u>(29)</u> | <u>(77,033)</u> | <u>(12)</u> |
| Other equity (Note 6(16)) | | | | |
| Exchange differences on translating the financial statements of foreign operations | 358 | - | 403 | - |
| Total other equity | <u>358</u> | <u>-</u> | <u>403</u> | <u>-</u> |
| Total equity | <u>512,647</u> | <u>72</u> | <u>618,512</u> | <u>93</u> |
| TOTAL | <u>\$ 707,718</u> | <u>100</u> | <u>\$ 659,719</u> | <u>100</u> |

(The accompanying notes are an integral part of the parent company only financial statements.)

(Concluded)

Chip Hope Co., Ltd.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except (Loss)/Earnings Per Share)

| | 2025 | | 2024 | |
|--|--------------|-------|------------|------|
| | Amount | % | Amount | % |
| OPERATING REVENUE (Note 6(17)) | \$ 70,966 | 100 | \$ 178,833 | 100 |
| OPERATING COSTS(Notes 6(4) 、(21) and (22)) | (74,849) | (105) | (161,763) | (90) |
| GROSS PROFIT | (3,883) | (5) | 17,070 | 10 |
| OPERATING EXPENSES(Note 6(21) 、(22) and Note 7)) | | | | |
| Selling and marketing expenses | (10,336) | (15) | (30,265) | (17) |
| General and administrative expenses | (38,827) | (55) | (26,891) | (15) |
| Research and development expenses | - | - | (3,949) | (2) |
| Expected credit loss recognized/(reversed) | (42,817) | (60) | 97,467 | 55 |
| Total operating expenses | (91,980) | (130) | 36,362 | 21 |
| (LOSS) / PROFIT FROM OPERATIONS | (95,863) | (135) | 53,432 | 31 |
| NON-OPERATING INCOME AND EXPENSES | | | | |
| Interest income (Note 7) | 1,993 | 3 | 3,110 | 2 |
| Other income (Note 6(18)) | 1,426 | 2 | 2,948 | 2 |
| Other gains and losses (Note 6(19)) | (9,528) | (13) | (5,306) | (3) |
| Finance costs (Note 6(20)) | (2,127) | (3) | (1,854) | (1) |
| Gain recognized in bargain purchase transaction - Investments in associates (Note 6(8)) | 5,483 | 8 | - | - |
| Share of profit or loss of subsidiaries and associates (Note 6(8)) | (27,664) | (39) | 17,602 | 9 |
| Total non-operating income and expenses | (30,417) | (42) | 16,500 | 9 |
| (LOSS)/INCOME BEFORE INCOME TAX | (126,280) | (177) | 69,932 | 40 |
| INCOME TAX EXPENSE (Note 6(24)) | - | - | - | - |
| NET (LOSS)/ INCOME | (126,280) | (177) | 69,932 | 40 |
| OTHER COMPREHENSIVE INCOME/(LOSS) | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Remeasurement of defined benefit plans | - | - | - | - |
| Share of the other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for under equity method - will not be reclassified to profit or loss | - | - | 8,387 | 5 |
| Income tax related to items that will not be reclassified subsequently to profit or loss | - | - | - | - |
| | - | - | 8,387 | 5 |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on translating the financial statements of foreign operations | (56) | - | 920 | - |
| Income tax relating to items that may be reclassified subsequently to profit or loss | 11 | - | (184) | - |
| | (45) | - | 736 | - |
| Other comprehensive income, net of income tax | (45) | - | 9,123 | 5 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | \$ (126,325) | (177) | \$ 79,055 | 45 |
| EARNINGS PER SHARE (Note 6(25)) | | | | |
| Basic | \$ (1.82) | | \$ 1.01 | |
| Diluted | \$ (1.82) | | \$ 1.01 | |

(The accompanying notes are an integral part of the parent company only statements.)

Chip Hope Co., Ltd.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

| | Retained Earnings | | | | | Other Equity | | | Total | Equity |
|---|-------------------|-----------------|---------------|-----------------|---------------------|--|---|------------|-------|--------|
| | Share Capital | Capital surplus | Legal Reserve | Special Reserve | Accumulated deficit | Exchange Differences on Translating the Financial Statements of Foreign Operations | Unrealized Valuation Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income | | | |
| BALANCE AT JANUARY 1, 2024 | \$ 695,142 | \$ - | \$ 1,268 | \$ 3,259 | \$ (159,879) | \$ (333) | \$ - | \$ 539,457 | | |
| Net income in 2024 | - | - | - | - | 69,932 | - | - | 69,932 | | |
| Other comprehensive income in 2024, net of income tax | - | - | - | - | - | 736 | 8,387 | 9,123 | | |
| Subsidiaries' disposal of investments in equity instruments designated at fair value through other comprehensive income | - | - | - | - | 8,387 | - | (8,387) | - | | |
| BALANCE AT DECEMBER 31, 2024 | \$ 695,142 | \$ - | \$ 1,268 | \$ 3,259 | \$ (81,560) | \$ 403 | \$ - | \$ 618,512 | | |
| BALANCE AT JANUARY 1, 2025 | \$ 695,142 | \$ - | \$ 1,268 | \$ 3,259 | \$ (81,560) | \$ 403 | \$ - | \$ 618,512 | | |
| Net loss in 2025 | - | - | - | - | (126,280) | - | - | (126,280) | | |
| Other comprehensive income in 2025, net of income tax | - | - | - | - | - | (45) | - | (45) | | |
| Capital surplus, changes in ownership interests in subsidiaries | - | 20,460 | - | - | - | - | - | 20,460 | | |
| BALANCE AT DECEMBER 31, 2025 | \$ 695,142 | \$ 20,460 | \$ 1,268 | \$ 3,259 | \$ (207,840) | \$ 358 | \$ - | \$ 512,647 | | |

(The accompanying notes are an integral part of the parent company only financial statements.)

Chip Hope Co., Ltd.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

| | 2025 | 2024 |
|--|--------------|-----------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| (Loss)/Income before income tax | \$ (126,280) | \$ 69,932 |
| Adjustments for: | | |
| Depreciation expenses | 11,491 | 1,350 |
| Amortization expenses | 25 | 22,147 |
| Expected credit loss recognized/ (reversed) on trade receivables | 42,817 | (97,467) |
| Impairment Loss on Intangible Assets | - | 27,338 |
| Net loss on fair value changes of financial assets at fair value through profit or loss | 1,317 | 264 |
| Finance costs | 3,359 | 1,854 |
| Interest income | (5,851) | (3,110) |
| Share of loss (profit) of associates and joint ventures accounted for using equity method, net | 27,664 | (17,602) |
| Loss on disposal of property, plant and equipment | 19 | - |
| Write-down of inventories (gains on price recovery) | 13,479 | (10,999) |
| Net loss/ (gain) on foreign currency exchange | 8 | (6,500) |
| Gain recognized in bargain purchase transaction - Investments in associates | (5,483) | - |
| Changes in operating assets and liabilities | | |
| Accounts receivable | 38,577 | 90,243 |
| Accounts receivable from related parties | - | - |
| Other receivables | (5,238) | 644 |
| Other receivables from related parties | (45,289) | - |
| Inventories | (15,803) | 44,006 |
| Prepayments | 831 | (6,884) |
| Contract liabilities | (88) | 6,771 |
| Notes payable to related parties | - | - |
| Accounts payable | 3,386 | (16) |
| Other payables | 8,730 | (34,876) |
| Other payables to related parties | 32,396 | 4 |
| Other current liabilities | 2,378 | (193) |
| Net defined benefit assets | - | 6,249 |
| Cash generated from operations | (17,555) | 93,155 |
| Interest received | 5,983 | 2,978 |
| Interest paid | (3,330) | (1,953) |
| Income tax paid | (164) | (290) |
| Net cash (used in)/ generated from operating activities | (15,066) | 93,890 |

(Continued)

| | 2025 | 2024 |
|--|------------------|-------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of financial assets at fair value through profit or loss | \$ - | \$ (9,000) |
| Proceeds from financial assets at fair value through other comprehensive income | - | 38,625 |
| Acquisition of investments accounted for using equity method | (32,800) | (66,000) |
| Proceeds from disposal of investments accounted for using equity method | - | 155,000 |
| Acquisition for property, plant and equipment | (31,098) | (31,332) |
| Proceeds from disposal of property, plant and equipment | 16 | - |
| Increase in refundable deposits | (26,486) | (1,030) |
| Decrease in refundable deposits | - | 30 |
| Increase in other receivables from related parties | - | (10,000) |
| Decrease in other receivables from related parties | 10,000 | - |
| Acquisition of intangible assets | (148) | (34,874) |
| Decrease in finance lease receivable | 3,405 | - |
| Increase in prepayments for equipment | - | (41,283) |
| Increase in prepayments for investments | - | (92,200) |
| (Increase)/Decrease in other financial assets | (30,625) | 22,664 |
| Net cash generated used in investing activities | <u>(107,736)</u> | <u>(69,400)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase in short-term borrowings | 148,120 | 35,000 |
| Decrease in short-term borrowings | (100,000) | (110,000) |
| Repayments of long-term borrowings | - | (2,715) |
| Increase in guarantee deposits received | 4,038 | - |
| Decrease in guarantee deposits received | (15) | (1,583) |
| Payments of lease liabilities | (8,935) | (3,035) |
| Net cash generated generated from/(used in) financing activities | <u>43,208</u> | <u>(82,333)</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES | 222 | 817 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | <u>(79,372)</u> | <u>(57,026)</u> |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR | 108,688 | 165,714 |
| CASH AND CASH EQUIVALENTS AT THE END OF YEAR | <u>\$ 29,316</u> | <u>\$ 108,688</u> |

(The accompanying notes are an integral part of the parent company only financial statements.)

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Chip Hope Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Chip Hope Co., Ltd. and its subsidiaries (collectively, the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' 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.

Emphasis of Matter

We draw attention to Notes 9 and 11 to the consolidated financial statements, which describe the execution of a significant equity acquisition agreement by Chip Hope Co., Ltd. and the subsequent withdrawal of its cash capital increase plan. Our opinion is not qualified in respect of this matter.

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 for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's consolidated financial statements for the year ended December 31, 2025 are stated as follows:

Revenue from specific customer operations

For the year ended December 31, 2025, the net restaurant revenue of Ji Pin Restaurant Co., Ltd., an indirect subsidiary of Chip Hope Co., Ltd. and its subsidiaries, amounted to \$338,964 thousand, representing 60% of the consolidated operating revenue. Such revenue is generated through various operating locations directly from consumers, characterized by a high volume of transactions with small individual amounts, and heavily relies on the Point of Sale (POS) systems to collect and summarize daily revenue information. During 2025, Ji Pin Restaurant Co., Ltd. operated a total of four locations. Except for one department store location that was closed in July 2025 and accounted for a relatively small proportion of the operating revenue, the remaining three direct-operated locations issue invoices directly to consumers. The accounting department recognizes operating revenue after manually reconciling the daily POS reports from each outlet with the summarized cash and credit card collections. For the year ended December 31, 2025, the net operating revenue from these three locations amounted to \$331,607 thousand. Since the recognition of such revenue heavily relies on the manual reconciliation of various vouchers and reports, we have identified the accuracy of revenue recognition for the aforementioned locations as a key audit matter.

The audit procedures performed by the accountant include the following:

1. Obtained an understanding of the internal controls relevant to the restaurant revenue of the direct-operated locations.
2. Performed analytical procedures on the gross profit margin of each direct-operated location; selected samples from the revenue sub-ledger to perform tests of details, and verified whether the recognized amounts, invoiced amounts, and collected amounts were consistent with the daily sales reports.

Other Matter

We have also audited the parent company only financial statements of the Company as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, 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.

Auditors' 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 auditors' 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 auditing standards generally accepted in 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 auditing standards generally accepted in 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 auditors' 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 auditors' 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 and appropriate audit evidence regarding the financial information of 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.

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 for the year ended December 31, 2025, and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partners on the audits resulting in this independent auditors' report are Hsin-Yuan Wang and Yu-Ya Lin.

**Benison Associated CPA's Firm
Taipei, Taiwan
Republic of China**

March 30, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail

Chip Hope Co., Ltd. and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

| ASSETS | December 31, 2025 | | December 31, 2024 | |
|--|---------------------|------------|---------------------|------------|
| | Amount | % | Amount | % |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents (Note 6(1)) | \$ 128,548 | 6 | \$ 228,797 | 17 |
| Financial assets at fair value through profit or loss - current (Note 6(2)) | 7,419 | 0 | 8,736 | 1 |
| Accounts receivable, net (Note 6(3)) | 26,888 | 1 | 108,998 | 8 |
| Accounts receivables from related parties (Note 7(2)) | - | - | 5 | - |
| Finance lease receivable (Note 6(4)) | 16,332 | 1 | - | - |
| Other receivables | 5,238 | - | 17,433 | 1 |
| Current tax assets (Note 6(28)) | 2,609 | - | 347 | - |
| Inventories (Note 6(5)) | 53,984 | 2 | 48,289 | 4 |
| Prepayments | 12,258 | 1 | 13,579 | 1 |
| Other financial assets - current (Note 8(1)) | 983,703 | 44 | 11,577 | 1 |
| Total current assets | <u>1,236,979</u> | <u>55</u> | <u>437,761</u> | <u>33</u> |
| NON-CURRENT ASSETS | | | | |
| Financial assets at fair value through other comprehensive income - non-current (Note 6(6)) | - | - | - | - |
| Investments accounted for using equity method (Note 6(9)) | 127,713 | 6 | - | - |
| Property, plant and equipment (Note 6(8)) | 320,369 | 14 | 328,804 | 25 |
| Right-of-use assets (Note 6(11)) | 318,870 | 14 | 294,531 | 22 |
| Investment Property (Note 6(12)) | 14,162 | 1 | 14,240 | 1 |
| Intangible assets (Note 6(13)) | 33,690 | 2 | 35,318 | 3 |
| Deferred tax assets (Note 6(28)) | 28,943 | 1 | 35,335 | 3 |
| Prepayment for equipment | - | - | 42,426 | 3 |
| Refundable deposits | 63,013 | 3 | 23,596 | 2 |
| Prepayments for Investment (Note 6(14)) | - | - | 92,200 | 7 |
| Long-term finance lease receivable (Note 6(4)) | 73,978 | 3 | - | - |
| Other non-current assets (Note 6(3) and (15)) | 5,346 | - | 9,182 | 1 |
| Total non-current assets | <u>986,084</u> | <u>44</u> | <u>875,632</u> | <u>67</u> |
| TOTAL | <u>\$ 2,223,063</u> | <u>100</u> | <u>\$ 1,313,393</u> | <u>100</u> |

(Continued)

| LIABILITIES AND EQUITY | December 31, 2025 | | December 31, 2024 | |
|--|---------------------|------------|---------------------|------------|
| | Amount | % | Amount | % |
| CURRENT LIABILITIES | | | | |
| Short-term borrowings (Note 6(16)) | \$ 63,120 | 3 | \$ 20,000 | 2 |
| Contract liabilities - current (Note 6(21)) | 32,163 | 1 | 36,773 | 3 |
| Notes payable, net | 13,562 | 1 | 6,104 | - |
| Accounts payable, net | 19,655 | 1 | 19,648 | 1 |
| Other payables (Note 6(17)) | 49,591 | 2 | 38,991 | 3 |
| Other payables to related parties (Note 7(2)) | 32,400 | 1 | - | - |
| Current tax liabilities (Note 6(28)) | - | - | 4,353 | - |
| Current lease liabilities (Note 6(11)) | 64,027 | 4 | 55,054 | 4 |
| Current portion of long-term borrowings (Note 6(18)) | 40,345 | 2 | 54,159 | 4 |
| Other current liabilities | 6,970 | - | 2,819 | - |
| Total current liabilities | <u>321,833</u> | <u>15</u> | <u>237,901</u> | <u>17</u> |
| NON-CURRENT LIABILITIES | | | | |
| Long-term borrowings (Note 6(16)) | 105,967 | 5 | 155,543 | 12 |
| Non-current lease liabilities (Note 6(11)) | 309,792 | 14 | 249,297 | 19 |
| Deferred tax liabilities (Note 6(28)) | 32,494 | 1 | 38,127 | 3 |
| Other non-current liabilities | 3,438 | - | 788 | - |
| Total non-current liabilities | <u>451,691</u> | <u>20</u> | <u>443,755</u> | <u>34</u> |
| Total liabilities | <u>773,524</u> | <u>35</u> | <u>681,656</u> | <u>51</u> |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | | | | |
| Share capital (Note 6(20)) | | | | |
| Ordinary shares | 695,142 | 31 | 695,142 | 54 |
| Total share capital | <u>695,142</u> | <u>31</u> | <u>695,142</u> | <u>54</u> |
| Capital surplus (Note 6(20)) | | | | |
| Capital surplus, changes in ownership interests in subsidiaries | 20,460 | 1 | - | - |
| Retained earnings (Note 6(20)) | | | | |
| Legal reserve | 1,268 | - | 1,268 | - |
| Special reserve | 3,259 | - | 3,259 | - |
| Accumulated deficit | (207,840) | (9) | (81,560) | (6) |
| Total retained earnings | <u>(203,313)</u> | <u>(9)</u> | <u>(77,033)</u> | <u>(6)</u> |
| Other equity (Note 6(20)) | | | | |
| Exchange differences on translating the financial statements of foreign operations | 358 | - | 403 | - |
| Unrealized valuation profit or loss of financial assets at fair value through other comprehensive income | - | - | - | - |
| Total other equity | <u>358</u> | <u>-</u> | <u>403</u> | <u>-</u> |
| Total equity attributable to owners of the Company | <u>512,647</u> | <u>23</u> | <u>618,512</u> | <u>48</u> |
| Non-controlling interests (Note 6(20)) | <u>936,892</u> | <u>42</u> | <u>13,225</u> | <u>1</u> |
| Total equity | <u>1,449,539</u> | <u>65</u> | <u>631,737</u> | <u>49</u> |
| TOTAL | <u>\$ 2,223,063</u> | <u>100</u> | <u>\$ 1,313,393</u> | <u>100</u> |

(The accompanying notes are an integral part of the consolidated financial statements.)

Chip Hope Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except (Loss)/Earnings Per Share)

| | 2025 | | 2024 | |
|---|--------------|------|------------|------|
| | Amount | % | Amount | % |
| OPERATING REVENUE (Note 6(21) and 7) | \$ 566,640 | 100 | \$ 635,964 | 100 |
| OPERATING COSTS(Notes 6(4) 、(25) and (26)) | (328,242) | (58) | (384,289) | (60) |
| GROSS PROFIT | 238,398 | 42 | 251,675 | 40 |
| OPERATING EXPENSES(Note 6 (25) 、(26) and 7) | | | | |
| Selling and marketing expenses | (208,286) | (37) | (212,032) | (33) |
| General and administrative expenses | (124,966) | (22) | (51,874) | (8) |
| Research and development expenses | - | - | (3,949) | (1) |
| Expected credit loss recognized/(reversed) | (42,817) | (8) | 66,401 | 10 |
| Total operating expenses | (376,069) | (67) | (201,454) | (32) |
| (LOSS)/PROFIT FROM OPERATIONS | (137,671) | (25) | 50,221 | 8 |
| NON-OPERATING INCOME AND EXPENSES | | | | |
| Interest income | 2,947 | 1 | 3,675 | 1 |
| Other income (Note 6(22)) | 1,846 | - | 4,845 | 1 |
| Other gains and losses (Note 6(23)) | (9,758) | (2) | 28,192 | 4 |
| Finance costs (Note 6(24)) | (13,111) | (2) | (9,703) | (2) |
| Gain recognized in bargain purchase transaction - Investments in associates (Note 6(9)) | 5,483 | 1 | - | - |
| Share of profit or loss of subsidiaries and associates (Note 6(9)) | (1,770) | - | - | - |
| Total non-operating income and expenses | (14,363) | (2) | 27,009 | 4 |
| (LOSS)/INCOME BEFORE INCOME TAX | (152,034) | (27) | 77,230 | 12 |
| INCOME TAX EXPENSE (Note 6(28)) | (1,119) | - | (4,695) | - 1 |
| NET (LOSS)/INCOME | (153,153) | (27) | 72,535 | 11 |
| OTHER COMPREHENSIVE INCOME/(LOSS) | | | | |
| Unrealized valuation profit or loss of investment in equity instruments measured at fair value through other comprehensive income | - | - | 8,387 | 1 |
| Income tax related to items that will not be reclassified subsequently to profit or loss | - | - | - | - |
| | - | - | 8,387 | 1 |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on translating the financial statements of foreign operations | (56) | - | 920 | - |
| Income tax relating to items that may be reclassified subsequently to profit or loss | 11 | - | (184) | - |
| | (45) | - | 736 | - |
| Other comprehensive income, net of income tax | (45) | - | 9,123 | 1 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | \$ (153,198) | (27) | \$ 81,658 | 13 |
| Net (loss)/income attributable to: | | | | |
| Owners of the Company | \$ (126,280) | | \$ 69,932 | |
| Non-controlling interests | (26,873) | | 2,603 | |
| | \$ (153,153) | | \$ 72,535 | |
| Comprehensive income attributable to: | | | | |
| Owners of the Company | \$ (126,325) | | \$ 79,055 | |
| Non-controlling interests | (26,873) | | 2,603 | |
| | \$ (153,198) | | \$ 81,658 | |
| (LOSS)/EARNINGS PER SHARE (Note 6(25)) | | | | |
| Basic | \$ (1.82) | | \$ 1.01 | |
| Diluted | \$ (1.82) | | \$ 1.01 | |

Chip Hope Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

| | Equity Attributable to Owners of the Company | | | | | | | | | | | | | |
|---|--|------------------|-----------------|-----------------|---------------------|--|--|-------------------|-------------------|---------------------|-------|---------------------------|-------|--------|
| | Retained Earnings | | | | | Other Equity | | | | | Total | Non-controlling interests | Total | Equity |
| | Share Capital | Capital surplus | Legal Reserve | Special Reserve | Accumulated deficit | Exchange Differences on Translating the Financial Statements of Foreign Operations | Unrealized valuation profit or loss of financial assets at fair value through other comprehensive income | | | | | | | |
| BALANCE AT JANUARY 1, 2024 | \$ 695,142 | \$ - | \$ 1,268 | \$ 3,259 | \$ (159,879) | \$ (333) | \$ - | \$ 539,457 | \$ 10,622 | \$ 550,079 | | | | |
| Net income in 2024 | - | - | - | - | 69,932 | - | - | 69,932 | 2,603 | 72,535 | | | | |
| Other comprehensive income in 2024, net of income tax | - | - | - | - | - | 736 | 8,387 | 9,123 | - | 9,123 | | | | |
| Subsidiaries' disposal of investments in equity instruments designated at fair value through other comprehensive income | - | - | - | - | 8,387 | - | (8,387) | - | - | - | | | | |
| BALANCE AT DECEMBER 31, 2024 | \$ 695,142 | \$ - | \$ 1,268 | \$ 3,259 | \$ (81,560) | \$ 403 | \$ - | \$ 618,512 | \$ 13,225 | \$ 631,737 | | | | |
| BALANCE AT JANUARY 1, 2025 | \$ 695,142 | \$ - | \$ 1,268 | \$ 3,259 | \$ (81,560) | \$ 403 | \$ - | \$ 618,512 | \$ 13,225 | \$ 631,737 | | | | |
| Net loss in 2025 | - | - | - | - | (126,280) | - | - | (126,280) | (26,873) | (153,153) | | | | |
| Other comprehensive income in 2025, net of income tax | - | - | - | - | - | (45) | - | (45) | - | (45) | | | | |
| Establishment of subsidiary | - | - | - | - | - | - | - | - | 182 | 182 | | | | |
| Capital surplus, changes in ownership interests in subsidiaries | - | 20,460 | - | - | - | - | - | 20,460 | 950,358 | 970,818 | | | | |
| BALANCE AT DECEMBER 31, 2025 | \$ 695,142 | \$ 20,460 | \$ 1,268 | \$ 3,259 | \$ (207,840) | \$ 358 | \$ - | \$ 512,647 | \$ 936,892 | \$ 1,449,539 | | | | |

(The accompanying notes are an integral part of the consolidated financial statements.)

Chip Hope Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

| | 2025 | 2024 |
|---|--------------|-----------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| (Loss)/Income before income tax | \$ (152,034) | \$ 77,230 |
| Adjustments for: | | |
| Depreciation expenses | 108,916 | 83,562 |
| Amortization expenses | 6,584 | 29,327 |
| Expected credit loss recognized/(reversed) on trade receivables | 42,817 | (66,401) |
| Impairment Loss on property, plant, and equipment | - | 911 |
| Impairment Loss on Intangible Assets | - | 12,392 |
| Net loss on financial assets and liabilities at fair value through profit or loss | 1,317 | 264 |
| Finance costs | 14,343 | 9,703 |
| Interest income | (6,805) | (3,675) |
| Share of profit or loss of subsidiaries and associates | 1,770 | - |
| Loss on disposal of property, plant and equipment | 5,796 | 80 |
| Write-down of inventories (gains on price recovery) | 13,479 | (11,097) |
| Net gain on foreign currency exchange | (5,392) | (6,500) |
| Gain recognized in bargain purchase transaction - Investments in associates | (5,483) | - |
| Gain from lease modification | (161) | (19,568) |
| Changes in operating assets and liabilities | | |
| Accounts receivable | 39,051 | 135,503 |
| Accounts receivable from related parties | 5 | (5) |
| Other receivables | (5,233) | 625 |
| Inventories | (19,174) | 43,247 |
| Prepayments | 1,321 | (4,935) |
| Contract liabilities | (2,129) | 4,971 |
| Notes payable | 7,458 | 506 |
| Accounts payable | 7 | (63,481) |
| Other payables | 10,615 | (34,202) |
| Other payables to related parties | 32,400 | - |
| Other current liabilities | 2,778 | 87 |
| Net defined benefit assets | - | 6,249 |
| Cash generated from operations | 92,246 | 194,793 |
| Interest received | 6,873 | 3,607 |
| Interest paid | (14,491) | (9,858) |
| Income tax paid | (6,964) | (315) |
| Net cash generated from operating activities | 77,664 | 188,227 |

(Continued)

| | 2025 | 2024 |
|---|--------------------|-------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of financial assets at fair value through profit or loss | - | (9,000) |
| Proceeds from disposal of financial assets at FVTOCI | 17,360 | 46,065 |
| Acquisition of investments accounted for using equity method | (31,800) | - |
| Proceeds from disposal of subsidiaries | - | 155,000 |
| Acquisition of property, plant, and equipment | (51,268) | (45,219) |
| Proceeds from disposal of property, plant, and equipment | 18 | 38 |
| Increase in refundable deposits | (39,857) | (130) |
| Decrease in refundable deposits | 440 | - |
| Acquisition of intangible assets | (148) | - |
| Decrease in finance lease receivable | 3,405 | - |
| (Increase)/Decrease in other financial assets | (965,921) | 19,713 |
| Increase in other non-current assets | (972) | (846) |
| Increase in prepayments for equipment | - | (41,807) |
| Increase in prepayments for investments | - | (92,200) |
| Net cash outflow on acquisition of subsidiaries (Note 6(28)) | - | (51,700) |
| Net cash generated used in investing activities | <u>(1,068,743)</u> | <u>(20,086)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase in short-term borrowings | 193,120 | 65,000 |
| Decrease in short-term borrowings | (150,000) | (150,000) |
| Proceeds from long-term borrowings | - | 30,114 |
| Repayments of long-term borrowings | (63,390) | (35,500) |
| Increase in guarantee deposits received | 4,038 | - |
| Decrease in guarantee deposits received | (15) | (1,541) |
| Payments of lease liabilities | (64,089) | (46,485) |
| Changes in non-controlling interests | 971,000 | - |
| Net cash generated from/(used in) financing activities | <u>890,664</u> | <u>(138,412)</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES | | |
| | <u>166</u> | <u>1,788</u> |
| NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS | <u>(100,249)</u> | <u>31,517</u> |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR | <u>228,797</u> | <u>197,280</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF YEAR | <u>\$ 128,548</u> | <u>\$ 228,797</u> |

(The accompanying notes are an integral part of the consolidated financial statements.)

(Concluded)

Chip Hope Co., Ltd
2025 Deficit Appropriation Report

Unit: in thousand NT\$

| | |
|----------------------------------|---------------|
| Beginning balance | (81,559,459) |
| Add: | |
| Net income after tax of the year | (126,280,911) |
| Ending accumulated deficit | (207,840,370) |

Chairman:
Jia-Jun Tang

Manager:
Jia-Jun Tang

Chief Accounting Officer:
Min-Chun Chen

Chip Hope Co., Ltd
 " Procedures for Acquisition or Disposal of Assets "
 Comparison Table of Amendments

| Articles after the amendment | Articles before the amendment | Explanation |
|---|---|---|
| <p>Article 8</p> <p>(一) If any subsidiary of the Company has not separately established its own “Procedures for Acquisition or Disposal of Assets,” it shall follow the Company’s procedures. Where a subsidiary establishes its own procedures, it shall comply with Article 6 of the Regulations Governing the Acquisition and Disposal of Assets, and such procedures shall be approved by the subsidiary’s Board of Directors, submitted to its supervisors, and further submitted to its shareholders’ meeting for approval.</p> <p>(二) When acquiring or disposing of assets, the Company’s subsidiaries shall comply with the Company’s or their respective “Internal Control Systems” and “Procedures for Acquisition or Disposal of Assets.” They shall, before the 5th day of each month, submit to the Company a written report summarizing any single transaction or cumulative transactions of the same nature in the preceding month reaching NT\$10 million or more, as well as the status of derivative trading activities as of the end of the preceding month.</p> <p>The Company’s internal audit unit shall include the subsidiaries’ asset acquisition and disposal operations as one of its quarterly audit items. If any material violation is discovered, it shall be immediately reported in writing to the Audit Committee.</p> | <p>Article 8</p> <p>(一) The Company’s subsidiaries shall also establish and implement their own “Procedures for Acquisition or Disposal of Assets” in accordance with the letter Tai-Cai-Zheng (1) No. 0910006105 issued by the Financial Supervisory Commission. Such procedures shall be approved by more than one-half of all members of the Audit Committee, submitted to and approved by the Board of Directors, and further submitted to the shareholders’ meeting for approval. The same shall apply to any amendments thereto.</p> <p>(二) When acquiring or disposing of assets, the Company’s subsidiaries shall comply with their respective “Internal Control Systems” and “Procedures for Acquisition or Disposal of Assets.” They shall, before the 5th day of each month, submit to the Company a written report summarizing any single transaction or cumulative transactions of the same nature in the preceding month reaching NT\$10 million or more, as well as the status of derivative trading activities as of the end of the preceding month.</p> <p>The Company’s internal audit unit shall include the subsidiaries’ asset acquisition and disposal operations as one of its quarterly audit items. If any material violation is discovered, it shall be immediately reported in writing to the Audit Committee.</p> | <p>The relevant provisions are amended in line with the Company’s future operational needs.</p> |
| <p>Article 14</p> <p>This Procedure shall be implemented upon approval by the shareholders’ meeting, and the</p> | <p>Article 14</p> <p>This Procedure shall be implemented upon approval by the shareholders’ meeting, and</p> | <p>The revision date has been added.</p> |

| Articles after the amendment | Articles before the amendment | Explanation |
|---|--|-------------|
| <p>same shall apply to any amendments thereto. The first amendment was made on May 31, 2022. The second amendment was made on May 16, 2024. The third amendment was made on October 28, 2025. The fourth amendment was made on June 11, 2026.</p> | <p>the same shall apply to any amendments thereto. The first amendment was made on May 31, 2022. The second amendment was made on May 16, 2024. The third amendment was made on October 28, 2025.</p> | |

Chip Hope Co., Ltd
 "Articles of Incorporation"
 Comparison Table of Amendments

| Articles after the amendment | Articles before the amendment | Explanation |
|--|--|--|
| Article 1 The Company is incorporated in accordance with the Company Act and is named Yiting Medical Technology Co.,LTD | Article 1 The Company is incorporated in accordance with the Company Act and is named CHIP HOPE CO., LTD. | Chairman of the Company and Representative of the Corporate Director |
| Article 2 33. C199990 – Manufacture of Other Food Products (Not Elsewhere Classified). | Article 2 33. C199990 –Manufacture of Other Food Products Not Elsewhere Classified | Amended per competent authority requirements. |
| Article 25 The Articles of Incorporation was established on December 2, 1993. (The middle of the article is omitted) <u>The 27rd amendment was made on June 11, 2026.</u> | Article 25 The Articles of Incorporation was established on December 2, 1993. (The rest of the article is omitted) | Added the date of the 27rd amendment. |

Chip Hope Co., Ltd
List of Independent Director

| Title | Nominees | Educational Qualifications | Work Experience | Currently holding positions concurrently in this company and other companies | Represented government agency or legal entity | Shareholding | Whether serving as an independent director for three consecutive terms / Reason |
|----------------------|--------------|--|---|---|---|--------------|---|
| Independent Director | Cheng-Yi Sun | 1. Department of Business Administration, Fu Jen Catholic University 2. Master's Degree, Graduate Institute of East Asian Studies, National Chengchi University | 1. Deputy Director-General, Investigation Bureau, Ministry of Justice 2. Secretary-General, Investigation Bureau, Ministry of Justice 3. Director, Taipei City Field Office, Investigation Bureau 4. Director, Security Division, Investigation Bureau | Consultant, Show Chwan Memorial Hospital, Show Chwan Medical Care Corporation | N/A | 0 | N/A |

Appendix 1

Chip Hope Co., Ltd

Status of Directors' Share Ownership

Effective date: April 13, 2026

| Position | Name | Date Elected | Shareholding while Elected | | | Current Shareholding | | | Remark |
|-------------------------|--|--------------|----------------------------|------------------|------------------------|----------------------|------------------|------------------------|--------|
| | | | Type | Number of Shares | Shareholding Ratio (%) | Type | Number of Shares | Shareholding Ratio (%) | |
| Chairman | Jia-Jun Tang represents Tung Chi Investment Co., Ltd | 2024.05.16 | Ordinary shares | 3,180,000 | 4.57% | Ordinary shares | 3,180,000 | 4.57% | - |
| Director | Wen-Hung Tseng represents Tung Chi Investment Co., Ltd | | | | | | | | |
| Director | Bi-Yuan Wang represents Jiaxunjin Technology Co., Ltd. | 2024.05.16 | Ordinary shares | 500,000 | 0.72% | Ordinary shares | 500,000 | 0.72% | - |
| Independent director | Jing-Jun Chen | 2024.05.16 | Ordinary shares | 0 | 0.00% | Ordinary shares | 0 | 0.00% | - |
| Independent director | Yong-Sheng Xu | 2024.05.16 | Ordinary shares | 0 | 0.00% | Ordinary shares | 0 | 0.00% | - |
| Independent director | Xiao-Yue Cao | 2024.05.16 | Ordinary shares | 0 | 0.00% | Ordinary shares | 0 | 0.00% | - |
| Independent director | Wei-Fang Chen | 2024.05.16 | Ordinary shares | 0 | 0.00% | Ordinary shares | 0 | 0.00% | |
| Total | | | Ordinary shares | 3,680,000 | | Ordinary shares | 3,680,000 | | |

Total shares outstanding on April 13, 2026: 69,514,149 shares.

Note: Since the number of independent directors exceeds half of the total number of directors' seats in the company, and an audit committee has been established, the requirement for all directors and supervisors to hold a statutory number of shares does not apply.

Chip Hope Co., Ltd

Rules of Procedures for Shareholders' Meeting

Article 1 In order to establish a sound governance system for shareholders' meetings of the Company, enhance the supervisory function and strengthen the management function, the Rule was formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies for compliance.

Article 2 Unless otherwise provided by law, regulation or the Articles of Association of the Company, the provisions of the Rules shall apply.

Article 3 (Convening of Shareholders' Meeting and Notice of Meeting)

Unless otherwise provided by law or regulation, the Company's shareholders' meetings are convened by the Board.

Any changes in the method of convening the shareholders' meeting of the Company shall be resolved by the Board of Directors and shall be made no later than the issuance of the notice of the shareholders' meeting.

The Company shall prepare electronic versions of the shareholders' meeting notice, proxy forms, proposal and explanatory materials relating to ratification, matters for discussion, election or dismissal of directors, and upload them to the Market Observation Post System 30 days before the date of a regular shareholders' meeting or 15 days before the date of a special shareholders' meeting. The shareholders' meeting handbook and supplementary materials shall be prepared as electronic files and transmitted to the MOPS no later than 21 days before the shareholders' meeting or 15 days before the extraordinary shareholders' meeting. However, if the Company's paid-in capital reaches more than NT\$ 10 billion on the end date of the latest fiscal year or if the combined foreign and Mainland Chinese shareholding ratio recorded in the shareholder roster for the latest fiscal year's shareholders' meeting is over 30%, the electronic files shall be transmitted no later than 30 days before the shareholders' meeting. 15 days prior to the shareholders' meeting, the meeting handbook and supplementary materials shall be fully prepared for shareholders to access at any time, and display them at the Company and the professional stock affair agency appointed by the Company.

The meeting handbook and supplementary materials mentioned above shall be provided to shareholders in the following forms on the day of the meeting:

- I. If the meeting is held physically, the materials shall be printed out and provided to shareholders on site.
- II. If the meeting is convened in hybrid mode (physical meeting with video conferencing), paper-form materials shall be delivered on site, and electronic form shall be provided on video conferencing platform.
- III. If the meeting is convened online, electronic files shall be provided on video conferencing platform.

The notice and announcement shall state the reasons for convening the meeting. The notice may be given by electronic transmission, after obtaining prior consent from the counterparty.

Election or dismissal of directors, alteration of the articles of association, capital reduction, application for cease of public offering, waive the non-competition clause of directors, capital increase out of earnings or capital reserves, dissolution, merger, spin-off or any matters as set forth in Paragraph 1 of Article 185, shall be stated in the reasons for convening the meeting and explain the major content. The above shall not be raised by way of Extempore Motions.

If the re-election of all directors and the start date of the tenure have been stated in the reasons for convening the shareholders' meeting, the said date shall not be changed by way of Extempore Motions or other means at the same meeting.

Shareholders who hold more than one (1) percent of the total number of issued shares may put forward proposals at general shareholders' meeting to the extent of one proposal. Any proposal exceeding one shall not be included in the agenda. However, the board of directors shall still include the proposal if the shareholders' proposals intend to encourage the Company to act in the best interests of the public or fulfilling its social responsibilities. If any of the circumstances provided in the subparagraphs of Paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the Board may exclude it from the agenda.

Prior to the book closure date prior to the convening of the general shareholders' meeting, the Company shall announce that it will accept shareholders' proposals, the acceptance method either in written or electronic format, the place and the period for acceptance. The acceptance period shall not be less than 10 days.

A shareholder's proposal is limited to 300 words and proposals containing more than 300 words will not be included in the agenda. The proposing shareholder shall attend the general shareholders' meeting in person or by proxy and participate in the discussion of the proposal.

The Company shall, prior to the date of the notice of the shareholders' meeting, inform the proposing shareholders of the proposal processing results and list in the notice of the meeting the proposals conforming to the requirements of this Article. For shareholders' proposals not included in the agenda, the Board shall explain the reasons for exclusion at the shareholders' meeting.

Article 4

A shareholder may appoint a proxy to attend a shareholders' meeting on his/her behalf by executing a power of attorney issued by the Company stating the scope of authorization in the proxy.

A shareholder may only execute one power of attorney and appoint one proxy only, and such written proxy shall arrive at the Company no later than 5 days prior to the date of the shareholders' meeting. If there are duplicate proxies, the one that first arrives the Company shall prevail unless a declaration is made to cancel the previous proxy.

After the power of attorney has arrived at the Company, if a shareholder intends to attend the Shareholders' Meeting in person or intends to exercise his or her voting right by correspondence or electronic means, a notice in writing shall be sent to the Company to revoke the proxy two days prior to the date of the Shareholders' Meeting. If the notice failed to arrive at the Company within the

said time, the voting rights exercised by the proxy in attendance shall prevail.

After submitting a proxy form to the Company, if a shareholder wishes to attend the shareholders' meeting via video conferencing, they shall notify the Company in writing of the revocation of the proxy no later than two days before the shareholders' meeting. If the revocation is made after the deadline, the proxy shall attend the meeting and exercise the voting rights on behalf of the shareholder.

Article 5 The venue for a shareholders' meeting shall be the premises of the Company or a place easily accessible to shareholders and suitable for holding such a meeting, and the meeting shall begin no earlier than 9 a.m. and no later than 3 p.m. The opinions of the independent directors shall be duly considered in determining the place and time of a shareholders' meeting.

When the Company convene an online shareholders' meeting, the meeting venue is not restricted to the aforementioned description.

Article 6 (Preparation of documents such as the attendance book)

The Company shall state the registration time, registration location for shareholders, solicitors, and proxies (hereinafter referred to as "shareholders") in the meeting notice and any other matters that need to be noted.

The registration time shall start at least 30 minutes prior to the shareholders' meeting; the registration location shall be clearly labeled and a sufficient amount of manpower shall be deployed; For online meeting, registration shall also start 30 minutes prior to the meeting on the video conferencing platform. Shareholders who complete the registration procedure are deemed as attending the meeting in person.

Shareholders shall carry attendance pass, registration form, or other necessary document to attend the meeting. The Company shall not arbitrarily require shareholders to provide additional proof of identity beyond the documents required for attendance. For solicitors who handle solicitation matters, ID cards shall be carried for identity check.

The Company shall furnish the attending shareholders with an attendance book to sign in, or the attending shareholders may hand in a sign-in card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips and other meeting materials. In case of election of directors, separate ballots shall be furnished.

When the government or a legal person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. A legal person may only designate one person as proxy to attend the meeting.

For shareholders' meeting convened online, the Company shall disclose meeting handbook, annual report, and other relevant materials on the video conferencing platform at least 30 minutes prior to the meeting. The information shall be disclosed until the meeting ends.

Article 6-1 (Items listed in the meeting notice for online shareholders' meetings)

The following information shall be listed on the meeting notice when the Company plans to convene an online shareholders' meeting.

- I. How shareholders attend the meeting and how they exercise their rights.
- II. In the event of a natural disaster, unforeseen circumstances, or other force majeure that causes obstacles in accessing the video conferencing platform or participating via video conferencing, the following handling methods shall be adopted:
 - (I) If the obstacles mentioned above cannot be resolved, and the meeting needs to be postponed or continued, the new date and time for the meeting shall be determined.
 - (II) Shareholders who did not register to participate via video conferencing in the original shareholders' meeting shall not be allowed to participate in any postponed or continued meetings via video conferencing.
 - (III) In the event of a hybrid shareholders' meeting, if the video conference cannot be continued, the meeting shall continue by deducting the shares of those who participated via video conferencing. If the total number of shares present still reaches the legal quorum required for the meeting, the meeting shall proceed, and those who participated via video conferencing shall be considered present and counted towards the total number of shares present. However, their votes on all matters to be considered at the meeting shall be deemed to have been abstained.
 - (IV) In the case where all the agenda items have been announced with their results and no extempore motion has been raised, the way to handle this situation shall be included.
- III. When holding a virtual shareholders' meeting, appropriate alternative measures for shareholders who have difficulties participating in the meeting via video should be stated.

Article 7

If a shareholders' meeting is convened by the Board, the chairman shall be the chairman of the Board, when the chairman is on leave or is unable to exercise his power and authority for any reason, the vice chairman shall act as the chairman of the Board, and if there is no vice chairman or vice chairman is also on leave or is unable to exercise his power and authority for any reason, the chairman shall designate one managing director to act as the chairman. In the case of an absence of Managing Directors, one of the Directors is designated to act on his behalf, and in the absence of such a designation, the Managing Director or the Directors shall elect from among themselves a substitute.

A managing director or a director whose term of office is more than six months and who understands the financial and business conditions of the Company shall be the afore-mentioned Chairman of the Board. The same shall be true for a representative of a legal person Director.

It is advisable for a shareholders' meeting convened by the Board to be chaired by the chairman of the Board in person and attended by more than half of the Directors and at least one member of each functional committee on behalf of the Board, with attendance recorded in the minutes of the shareholders' meeting.

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.

If there is more than one person who has called a shareholders' meeting, such persons shall elect one from among themselves to act as the chairperson at such shareholders' meeting.

The Company may invite attorneys, certified public accountants or relevant persons to attend a shareholders' meeting.

Article 8 (The audio or video recording of the entire process of shareholders' meeting)

The Company shall make audio or video recording of the entire process of a shareholders' meeting, including the registration of shareholder attendance, process of the meeting, voting and counting of vote.

The recording shall be preserved for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, it shall be retained until the conclusion of the litigation.

If the shareholders' meeting is held via video conference, the Company shall record and preserve information regarding the shareholders' registration, registration, check-in, questioning, voting, and vote counting. The entire video conference shall be recorded continuously and without interruption.

The data, audio and video recordings mentioned in the preceding paragraph shall be properly preserved during the retention period by the Company. The audio and video recordings shall be provided to the agent in charge of the video conference affairs for safekeeping.

Article 9 Attendance at shareholders' meetings shall be calculated on the basis of shares. The number of attending shares shall be calculated by adding up the shares represented by the signatures in the attendance book or the registration cards submitted and the shares reported through the video conferencing platform, as well as the shares voted in writing or electronically.

The chairperson should announce the start of the meeting and disclose the number of shares without voting rights and the total number of shares present at the same time when the meeting time has arrived.

If the number of shares represented by the shareholders present at the meeting fails to exceed half of the total issued and outstanding shares of the Company (the "Quorum"), the chairperson may announce that the meeting is postponed. The postponements shall be limited to two times and the total time postponed shall not exceed one hour. If the second adjournment is still unable to reach one-third of the total issued shares represented by shareholders attending the meeting, the chairperson shall declare the adjournment of the meeting. In the case of a video conference for the shareholders' meeting, the Company should also announce the adjournment of the meeting on the video conference platform.

If there are still representatives of shareholders who hold more than one-third of the total issued shares present at the meeting after the above-mentioned adjournment for the second time, they may pass a fictitious resolution in accordance with the first paragraph of Article 175 of the Company Act and notify all shareholders of the fictitious resolution to convene a shareholders' meeting within one month. If a shareholders' meeting is held by video

conference, shareholders who wish to attend via video conference should re-register with the Company in accordance with Article 6.

If the number of shares represented by the shareholders present at the meeting exceeds half of the total issued and outstanding shares of the Company before the end of the meeting, the tentative resolution may be re-proposed by the chairperson to be passed in the shareholders' meeting in accordance with Article 174 of the Company Act.

Article 10 If a shareholders' meeting is called by the Board, the agenda of such meeting shall be prepared by the Board and such meeting shall proceed in accordance with the agenda. No modification to the agenda shall be made unless shareholders resolve otherwise at such shareholders' meeting.

The preceding paragraph shall apply *mutatis mutandis* in cases where a shareholders' meeting is called by any person entitled to call the meeting other than the Board.

Before the procedure set forth in the agenda prepared pursuant to the preceding two paragraphs (including the extempore motions) has completely ended, the chairperson may not adjourn the meeting unless shareholders resolve otherwise at such meeting. In the event that the chairperson adjourns the meeting in violation of the Rules, shareholders, by a majority of votes represented by the attending shareholders, may designate one person as chairperson to continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders and shall declare the discussion closed, put forward for voting and arrange for an adequate time for voting.

Article 11 (Shareholders' Statement)

When a shareholder present at a shareholders' meeting wishes to speak, a speech note should be filled out with summary of the speech, the shareholder account number (or the number of attendance card) and the account name of the shareholder. The chairperson should decide the sequence of speeches by shareholders.

If any shareholder present at a shareholders' meeting submits a speech note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the actual speech of a shareholder are inconsistent with the contents of the speech note, the contents of the actual speech shall prevail.

Unless otherwise permitted by the chairperson, each shareholder shall not speak more than two times (each time not exceeding five minutes) for each proposal. In case the speech of any shareholder violates the preceding paragraph or exceeds the scope of the proposal for current discussion, the chairperson may stop the shareholder from continuing delivering the speech.

When an attending shareholder delivers a speech, unless otherwise permitted by the chairperson and the shareholder who is making the speech, no

shareholder may interrupt the speech. If any shareholder violates this provision, the chairperson shall intervene to stop such interruption.

If a juristic shareholder designates two or more representatives to attend the shareholders' meeting, only one representative can speak for each proposal.

After the speech of a shareholder, the chairperson may respond by himself or appoint an appropriate person to respond.

For a shareholder meeting conducted via video conference, shareholders who participate via video conference may submit written questions on the video conference platform from the time the chairperson announces the start of the meeting until the announcement of the adjournment of the meeting. Each question on each agenda item may be submitted no more than twice, with a limit of 200 Chinese characters per submission. This provision does not apply to the provisions of the first to fifth paragraphs.

Article 12 (Calculation of voting shares, avoidance system)

Voting at a shareholders' meeting shall be calculated on the basis of shares.

With respect to resolutions of shareholders' meetings, the number of shares held by non-voting shareholders shall not be calculated as part of the total number of shares issued.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship will prejudice the interests of the Company, that shareholder may not vote on that item and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

Except for a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is entrusted by two or more shareholders at the same time, the voting rights represented by that proxy shall not exceed 3% of the voting rights represented by the total number of issued shares, and the voting rights in excess of that percentage shall not be counted.

Article 13 Shareholders have one voting right per share; However, this restriction does not apply to restrictions or non-voting rights under Paragraph 2, Article 179 of the Company Act.

Shareholders' meetings of the Company shall be held in electronic form and may be conducted in writing to exercise their voting rights. When voting rights are exercised in writing or electronically, the method of exercise shall be specified in the notice convening the shareholders' meeting. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, in respect of the extempore motions and amendments to the original proposals of that meeting, the Company shall be deemed to have waived his/her rights and it is therefore advisable that the Company avoid the submission of extempore motions and

amendments to the original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic transmission under the preceding paragraph shall deliver the intent to the Company 2 days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

A shareholder who intends to attend the shareholders' meeting in person or via video conferencing after exercising his or her voting rights by correspondence or electronic means shall, 2 days before the date of the shareholders' meeting, withdraw the meaning of the exercise of the voting rights referred to in the preceding paragraph in the same manner as the exercise of the voting rights. In the case of a late cancellation, the voting rights in writing or electronically are exercised. When a shareholder has exercised voting rights by correspondence or electronic means and by appointing a proxy to attend the meeting, the voting rights exercised by the proxy at the meeting shall prevail.

Except as otherwise provided in the Company Law and the Articles of Association, the resolutions shall be approved by a majority of the voting rights represented by the attending shareholders.

At the time of voting, the Chairman or his designated person shall announce the total number of voting rights represented by the attending shareholders on a case-by-case basis and the shareholders shall vote on a case-by-case basis, and the results of the shareholders' approval, opposition and waiver shall be uploaded to the MOPS the same day after the shareholders' meeting.

When there is an amendment or an alternative to a proposal, the chairman 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.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the Chairman, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for voting on motions or elections shall be conducted at an open space at the meeting venue and the results, including weights, shall be announced immediately after counting and recorded.

For a virtual shareholders' meeting held by the Company, shareholders participating through video conferencing should cast their votes on the proposals and election(s) through the video conferencing platform after the Chairperson announces the opening of the meeting. They should complete the voting before the Chairperson announces the end of the voting. Failure to do so will be deemed as an abstention.

For virtual shareholders' meeting, after the chairperson announces the end of the voting period, the votes shall be counted all at once, and the results of the voting and election shall be announced.

If the Company holds a hybrid shareholders' meeting, shareholders who have registered to attend the meeting via video conferencing according to Article 6 and wish to attend the meeting in person shall cancel their registration in the same manner as their registration two days before the meeting. Those who fail to cancel their registration in time may only attend the shareholders' meeting via video conferencing.

Shareholders who have exercised their voting rights in writing or electronically and have not revoked their expression of intent, and who participate in the shareholder meeting by video conference, may not exercise their voting rights on the original proposals or propose amendments to the original proposals or exercise their voting rights on the amendments to the original proposals, except for extempore motions.

Article 14 (Elections)

The election of directors at a shareholders' meeting shall be held in accordance with the relevant election and appointment rules of the Company, and the voting results shall be announced on-site immediately, including the list of the elected directors and the numbers of votes with which they were elected and the list of the elected directors and the voting rights they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, it shall be retained until the conclusion of the litigation.

Article 15 Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes, which shall be signed or sealed by the chairman and distributed to each shareholder within 20 days after the meeting. The production and distribution of meeting minutes may be done in electronic form.

The distribution of the afore-mentioned meeting minutes may be done by publicly disclosing them at MPOS.

The meeting minutes shall accurately record the year, month, day and place of the meeting, the chairman's full name, the methods by which resolutions were adopted, a summary of the proceedings and the voting results (including weights). The voting rights received by each candidate shall be disclosed when there is election of directors. The minutes shall be kept permanently during the duration of the Company.

For a shareholders' meeting held via video conferencing, in addition to the matters required to be recorded as prescribed in the preceding paragraph, the meeting minutes should also record the start and end time of the meeting, the method of convening the meeting, the names of the chairperson and the recorder, and the handling method and results when there are obstacles or technical issues with the video conferencing platform or participation via video conference due to natural disasters, emergencies, or other force majeure events.

When the Company holds a virtual shareholders' meeting, in addition to complying with the provisions mentioned in the preceding article, the minutes should also specify alternative measures provided for shareholders who have difficulty participating in the

virtual meeting.

Article 16 (Public announcement)

The number of shares solicited, the number of shares represented by proxy, and the number of shares represented by shareholders attending in writing or electronically shall be compiled by the Company into a statistical table in the prescribed format and displayed clearly at the venue of the shareholders' meeting on the day of the meeting. In the case of a shareholders' meeting held by video conference, the Company shall upload the aforementioned information to the video conferencing platform at least 30 minutes before the start of the meeting and continue to disclose it until the end of the meeting.

When holding a virtual shareholders' meeting, upon announcing the start of the meeting, the Company should disclose the total number of shares held by attending shareholders on the virtual meeting platform. If there are other statistics on the total number of shares and voting rights of attending shareholders during the meeting, they shall be disclosed as well.

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

Article 17 (Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The Chairman may direct the disciplinary personnel or security personnel to help maintain order at the meeting place. Such disciplinary personnel or security personnel shall wear a badge marked "Disciplinary Staff".

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chairman may prevent the shareholder from doing so.

If a shareholder violates the rules of procedure and defies the chairman's correction, obstructing the proceedings and refusing to stop, the chairman may direct the disciplinary personnel or security personnel to escort the shareholder from the meeting.

Article 18 (Break, resumption of meeting)

When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may resolve to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the

meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19 (Information disclosure of virtual meeting)

If a shareholders' meeting is held virtually, the Company shall promptly disclose the results of each vote and election in accordance with the regulations on the video conferencing platform after the vote. The Company shall continue to disclose the results for at least 15 minutes after the chairperson announces the adjournment of the meeting.

Article 20 (The location of Chairperson and the recorder)

When holding a virtual shareholder meeting, the chairperson and the recorder of the meeting shall be in the same location in Taiwan, and the chairperson shall announce the address of the location at the beginning of the meeting.

Article 21 (Handling disconnection)

If the shareholders' meeting is held by video conferencing, when there is a force majeure event such as a natural disaster or other uncontrollable situation that causes a disruption of the video conferencing platform or participation by video conferencing for more than 30 minutes before the chairperson announces the adjournment of the meeting, the Company shall postpone or continue the meeting within 5 days. The provisions of Article 182 of the Company Act shall not apply.

Shareholders who did not register to participate in the original shareholders' meeting via video conferencing are not allowed to participate in the postponed or resumed meeting.

Shareholders who have registered and completed registration to participate in the original shareholders' meeting via video conferencing, but did not participate in the postponed or continued meeting in accordance with the provisions of the preceding paragraph, their shareholding, exercised voting rights, and election rights at the original shareholders' meeting shall be counted as part of the total shareholding, voting rights, and election rights of the shareholders who attend the postponed or continued meeting.

If a shareholders' meeting needs to be postponed or continued due to the circumstances mentioned in the first paragraph, the voting and vote-counting that have already been completed, as well as the announced voting results or lists of elected directors or supervisors, do not need to be discussed or voted on again.

When the Company holds a hybrid shareholders' meeting and cannot continue the video conferencing according to the first paragraph, if the total number of attending shares still meets the legal threshold for holding a shareholders' meeting after deducting the shares held by shareholders who attend the meeting via video conferencing, the shareholders' meeting shall continue and there is no need to postpone and resume the meeting in accordance with the provisions of the first paragraph.

If the situation described in the previous paragraph occurs and the shareholders'

meeting should continue, the shareholders who participate in the meeting via video conferencing shall be counted towards the total shareholding present, but their votes shall be deemed as abstentions for all matters at the meeting.

The Company shall follow the provisions of Article 44-2, Subparagraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies when handling relevant preparatory work based on the original shareholders' meeting date when postponing or continuing the meeting in accordance with the first paragraph.

During the periods stated in the latter part of Article 12 and Article 13 Subparagraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, Article 44-5, Subparagraph 2, Article 44-15, and Article 44-17, Subparagraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall postpone and resume the meeting based on the date stated in the first paragraph.

Article 22 (Handling digital divide)

When holding a virtual shareholders' meeting, appropriate alternative measures for shareholders who have difficulties participating in the meeting via video should be stated.

Article 23 These Rules, and any amendments thereto, shall take effect after being approved by the Shareholders' Meeting.

The 1st amendment was made on June 2, 2017.

The 2nd amendment was made on June 11, 2020.

The 3rd amendment was made on August 18, 2021.

The 4th amendment was made on May 31, 2022.

Chip Hope Co., Ltd
Procedures for Election of Directors

Article 1 To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2 Except as otherwise provided by law and regulation or by the Company's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 3 The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

- I. Basic requirements and values: Gender, age, nationality, and culture.
- II. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

- I. The ability to make judgments about operations.
- II. Accounting and financial analysis ability.
- III. Business management ability.
- IV. Crisis management ability.
- V. Knowledge of the industry.
- VI. An international market perspective.
- VII. Leadership ability.
- VIII. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of the Company shall consider adjusting its composition based on the results of performance evaluation.

- Article 4 The qualifications for the independent directors of the Company shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
- The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 5 Elections of the Company's directors shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.
- When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company's articles of incorporation, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- When the number of independent directors falls below that required under the provision of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- Article 6 The cumulative voting method shall be used for election of the directors of the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8 The number of directors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes,

thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 9 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10 A ballot is invalid under any of the following circumstances:

The ballot was not prepared by a person with the right to convene.

A blank ballot is placed in the ballot box.

The writing is unclear and indecipherable or has been altered.

The candidate whose name is entered in the ballot does not conform to the director candidate list.

Other words or marks are entered in addition to the number of voting rights allotted.

Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, it shall be retained until the conclusion of the litigation.

Article 12 The board of directors of this Corporation shall issue notifications to the persons elected as directors.

Article 13 The Procedure, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Article 14 The Procedure was established on June 17, 2011.

The first amendment was made on August 18, 2021.

Chip Hope Co., Ltd
Procedures for Acquisition or Disposal of Assets

Article 1 Purpose and Legal Basis

In order to enhance asset management and ensure transparency, this processing procedure is revised in accordance with Article 36-1 of the Securities and Exchange Act and the guidelines on the acquisition or disposition of assets by publicly traded companies issued by the Financial Supervisory Commission (hereinafter referred to as the FSC).

Article 2 The scope of applicable assets includes:

- 一、Investments such as stocks, government bonds, corporate bonds, financial bonds, mutual funds, depositary receipts, warrants (call or put), beneficiary securities, and asset-backed securities.
- 二、Real estate (including land, buildings and structures, investment properties, and inventory of construction businesses) and equipment.
- 三、Membership certificates.
- 四、Intangible assets such as patents, copyrights, trademarks, and franchises.
- 五、Right-of-use assets.
- 六、Claims of financial institutions (including accounts receivable, foreign exchange discounts and loans, and collection).
- 七、Derivative products.
- 八、Assets acquired or disposed of through legal mergers, divisions, acquisitions, and share transfers.
- 九、Other significant assets.

Article 3 Here are the definitions for the specified terms:

- 一、Derivative Products: Refers to forward contracts, option contracts, futures contracts, margin contracts, swap contracts, or combinations thereof, whose value is derived from specific interest rates, financial instrument prices, commodity prices, exchange rates, price or rate indices, credit ratings or credit indices, or other variables. The term "forward contract" does not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, or long-term purchase (sales) contracts.
- 二、Assets Acquired or Disposed of through Legal Mergers, Divisions, Acquisitions, and Share Transfers: Refers to assets acquired or disposed of through mergers, divisions, or acquisitions conducted in accordance with the Merger and Acquisition Act, Financial Holding Company Act, Financial Institutions Merger Act, or other law or through the issuance of new shares to acquire shares of another company.

- (referred to as share transfer) in accordance with Article 156-3 of the Company Act.
- 三、 Related Parties, Subsidiaries: Shall be determined in accordance with the Financial Reports Compilation Standards for Issuers of Securities.
 - 四、 Professional Appraisers: Refers to real estate appraisers or other individuals authorized by law to engage in real estate or equipment appraisal business.
 - 五、 Occurrence Date: Refers to the earlier of the transaction signing date, payment date, commission execution date, transfer date, board resolution date, or other date sufficient to determine the transaction parties and transaction amount. However, for investors requiring approval from the competent authority, the earlier of the aforementioned dates or the date of receiving approval from the competent authority shall prevail.
 - 六、 Mainland China Investments: Refers to investments or technical cooperation activities conducted in Mainland China in accordance with the Regulations Governing Investment in Mainland China or other relevant regulations established by the Investment Review Committee of the Ministry of Economic Affairs.
 - 七、 Professional Investors: Refers to financial holding companies, banks, insurance companies, securities finance companies, trust companies, securities firms engaging in proprietary or underwriting business, futures commission merchants engaging in proprietary business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies established in accordance with legal provisions and regulated by local financial supervisory authorities.
 - 八、 Securities Exchanges: Domestic securities exchanges refer to Taiwan Stock Exchange Corporation; foreign securities exchanges refer to any organized securities trading market regulated by the securities regulatory authority of the respective country.
 - 九、 Securities Firm Business Premises: Domestic securities firm business premises refer to premises designated by securities firms for trading of securities in accordance with the Regulations Governing the Trading of Securities by Securities Firm Business Premises; foreign securities firm business premises refer to financial institution business premises managed by foreign securities regulatory authorities and authorized to engage in securities business.
 - 十、 Regarding the provision of ten percent of the total assets: The calculation shall be based on the total assets amount in the most recent individual or separate financial statements specified in the Financial Reports Compilation Standards for Issuers of Securities.

Article 4 Evaluation Procedure

The acquisition or disposal of long or short-term securities investments or engaging in

derivative product transactions by the company should be analyzed for related benefits and evaluated for potential risks by the Finance and Accounting Department. For the acquisition or disposal of real estate and equipment, each department should first prepare a capital expenditure plan, assessing the feasibility based on the purpose of acquisition or disposal and expected benefits.

一、 For the acquisition or disposal of real estate, equipment, or rights to use assets, except for transactions with domestic government agencies, self-development, land leasing, or acquisition or disposal of equipment or rights to use assets for business operations, transactions exceeding twenty percent of the company's paid-in capital or NT\$300 million should obtain a valuation report from a professional appraiser before the occurrence date, and comply with the following provisions. However, if the company acquires or disposes of assets through a court auction process, a certificate issued by the court may be used instead of a valuation report or an accountant's opinion.

(一) When a transaction requires a limited, specific, or special price as a reference, it must be approved by the board of directors before the transaction. Subsequent changes in transaction conditions require the same approval.

(二) Transactions exceeding NT\$1 billion should obtain valuations from two or more professional appraisers.

(三) If the valuation results from professional appraisers meet one of the following conditions, besides when the valuation result for the acquisition of assets is higher or lower than the transaction amount, the accountant should be consulted to provide specific opinions on the reasons for the difference and the reasonableness of the transaction price:

1. The difference between the valuation result and the transaction amount exceeds twenty percent of the transaction amount.

2. The difference between the valuation results of two or more professional appraisers exceeds ten percent of the transaction amount.

(四) The valuation report from professional appraisers should not be more than three months old as of the contract date. However, if it applies the same period of publicized current value and does not exceed six months, an opinion letter from the original professional appraiser may be obtained.

二、 For the acquisition or disposal of securities, the company should obtain the most recent audited or reviewed financial statements signed or reviewed by the accountant of the target company before the occurrence date, as a reference for evaluating the transaction price. Additionally, for transactions exceeding twenty percent of the company's paid-in capital or NT\$300 million, the accountant should

be consulted before the occurrence date to provide an opinion on the reasonableness of the transaction price. However, this does not apply to securities with active market quotations or as otherwise regulated by the Financial Supervisory Commission.

- 三、 For the acquisition or disposal of intangible assets or rights to use assets or membership certificates, transactions exceeding twenty percent of the company's paid-in capital or NT\$300 million, except for transactions with domestic government agencies, the accountant should be consulted before the occurrence date to provide an opinion on the reasonableness of the transaction price.
- 四、 For mergers, divisions, acquisitions, or share transfers, before convening a board meeting, the company should commission accountants, lawyers, or securities underwriters to provide opinions on the reasonableness of the swap ratio, acquisition price, or the distribution of cash or other properties to shareholders. The proposal should be agreed upon by more than half of the members of the Audit Committee and submitted to the board for discussion and approval.
- 五、 The determination of the price or reference basis for the acquisition or disposal of assets by the company, besides considering professional appraisals, accountant opinions, and opinions from relevant experts, should adhere to the following circumstances:
 - (一) For securities traded in centralized trading markets or over-the-counter trading centers, the price should be determined based on the equity or bond price at that time.
 - (二) For securities not traded in centralized trading markets or over-the-counter trading centers, the transaction price should consider factors such as net asset value per share, technical and profit capabilities, future development potential, market interest rates, bond coupon rates, and debtor credit, and should be based on the most recent transaction price.
 - (三) For the acquisition or disposal of membership certificates, the benefits generated should be considered, and the most recent transaction price should be consulted. For the acquisition or disposal of intangible assets such as patents, copyrights, trademarks, or franchises, international or market practices, usable years, and their impact on company technology and operations should be considered and agreed upon.
 - (四) For the acquisition or disposal of real estate and equipment, the announced current value, assessed value, actual transaction price of neighboring real estate, or book value, supplier quotation, etc., should be consulted. If purchasing real estate from related parties, the transaction price should first be calculated according to the

methods specified in this procedure's Chapter II to assess the reasonableness of the transaction price.

- (五) Engaging in derivative product transactions should consider the trading conditions of the futures market, exchange rates, and interest rate trends.
- (六) For mergers, divisions, acquisitions, or share transfers, considerations should include business nature, net asset value per share, asset value, technical and profit capabilities, production capacity, and future growth potential.

Article 5 Operating Procedures

一、Authorization Limits and Levels

(一) Marketable Securities: The General Manager is authorized to conduct transactions within the limits set forth in Article 7 of this procedure. If the transaction meets the disclosure requirements specified in Article 6, it must be reported to the Chairman for approval on the following day and submitted for ratification by the most recent Board of Directors meeting. However, if the acquisition or disposal involves stocks, corporate bonds, or privately placed securities that are not traded on centralized exchanges or over-the-counter markets, and the transaction amount meets the disclosure requirements, it must first be approved by at least two-thirds of the members of the Audit Committee and then approved by the Board of Directors before proceeding.

(二) Derivative Trading

1. Hedging Transactions: Based on changes in the company's revenue and risk positions, individuals designated by the Chairman may engage in transactions with a single or cumulative position of less than \$1 million US dollars (including equivalent currencies). Transactions exceeding \$1 million US dollars require approval from the Chairman before proceeding.
2. Non-Hedging Transactions: To mitigate risks, transactions with a single or cumulative position of less than \$1 million US dollars (including equivalent currencies) must be approved by the Chairman. Transactions exceeding \$1 million US dollars require approval from at least two-thirds of the members of the Audit Committee and subsequent approval from the Board of Directors before proceeding.
3. In order to align the company's authorized activities with banking oversight and management, authorized personnel must inform the bank of the transactions.
4. Derivative transactions conducted under the aforementioned authorization must be reported to the most recent Board of Directors meeting after the fact.

(三) Related Party Transactions: Relevant information should be prepared in accordance with the provisions of Article 9 of this processing procedure. Approval from at least two-thirds of the members of the Audit Committee and subsequent approval from

the Board of Directors are required before proceeding.

(四) Mergers, Divisions, Acquisitions, or Share Transfers: Relevant procedures and preparation of related documents should be carried out in accordance with the provisions of Article 11 of this processing procedure. Mergers, divisions, and acquisitions require approval from the shareholders' meeting, unless exempted by other legal provisions. Additionally, share transfers require approval from at least two-thirds of the members of the Audit Committee and subsequent approval from the Board of Directors before proceeding.

(五) Others: Operations should be conducted in accordance with the internal control system and decision-making authority regulations. Transactions that meet the disclosure standards specified in Article 6 require prior approval from the Board of Directors, except for the acquisition or disposal of equipment used for business purposes, which may be retroactively reported to the Board of Directors. In cases falling under Article 185 of the Company Act, approval from the shareholders' meeting is required.

二、 Execution Units and Transaction Processes: The execution units for the company's long and short-term securities investments and derivative transactions are the Finance and Accounting Department and individuals designated by the Chairman of the Board. The execution units for real estate and other assets are the user departments and relevant responsible units. For mergers, divisions, acquisitions, or share transfers, the executing units are designated by the Chairman of the Board. Upon evaluation and approval of asset acquisition or disposal according to regulations, the execution units are responsible for contract negotiation, payment and receipt, delivery, and acceptance processes. Transaction processes are carried out according to relevant operational procedures outlined in the internal control system, depending on the nature of the assets. Furthermore, transactions involving the acquisition of real estate from related parties, engagement in derivative transactions, mergers, divisions, acquisitions, or share transfers should adhere to the regulations outlined in Articles 9 to 11 of this processing procedure.

Article 6 Announcement and Reporting Procedures:

一、 When the company acquires or disposes of assets under the following circumstances, it shall, according to the nature, format, and content as prescribed, announce and report the relevant information on the designated website of the Financial Supervisory Commission (FSC) within two days from the occurrence of the event:

(一) Acquisition or disposal of real estate or rights of use assets from related parties, or other assets with related parties involving transactions reaching 20% of the

company's paid-in capital, 10% of total assets, or over NT\$300 million, except for transactions involving domestic government bonds, bonds with buyback or sell-back conditions, or subscription or repurchase of domestic securities investment trust companies' issued money market funds.

- (二) Mergers, divisions, acquisitions, or share transfers.
- (三) Losses from derivative transactions reaching the specified maximum loss limit according to this processing procedure.
- (四) Acquisition or disposal of equipment or rights of use assets for business purposes, with transaction amounts reaching:
 1. Over NT\$500 million for publicly listed companies with paid-in capital below NT\$10 billion.
 2. Over NT\$1 billion for publicly listed companies with paid-in capital above NT\$10 billion.
- (五) Acquisition or disposal of real estate or rights of use assets for construction purposes, with transaction amounts over NT\$500 million; for companies with paid-in capital above NT\$10 billion, disposal of completed self-constructed real estate projects with transaction amounts over NT\$1 billion.
- (六) Acquisition of real estate through methods such as land commissioning, joint construction, etc., with transaction amounts over NT\$500 million, excluding transactions with related parties.
- (七) Other asset transactions, disposal of debts by financial institutions, or investments in mainland China, with transaction amounts reaching 20% of the company's paid-in capital or over NT\$300 million. However, certain exceptions apply.
- (八) Transaction amounts are calculated in various ways.
 - 二、 The company shall report the derivative trading activities of the company and its subsidiaries, excluding domestic publicly traded companies, to the FSC's designated information reporting website by the 10th of each month.
 - 三、 In case of errors or omissions in the announced items, corrections shall be made within two days from the date of awareness by re-announcing all items.
 - 四、 Relevant contracts, minutes of meetings, record books, appraisal reports, opinions of accountants, lawyers, or securities underwriters shall be kept by the company for at least five years, unless otherwise provided by law.

Article 7 Investment Scope and Limits:

The total investment amount in non-operating real estate or securities by the company and its subsidiaries, as well as the individual limits for securities, are as follows:

- 一、 The total amount of non-operating real estate investment shall not exceed 70% of the company's net worth.

二、 The total amount of securities investment shall not exceed 350% of the company's net worth.

三、 The limit for investment in individual securities shall not exceed 200% of the company's net worth.

The calculation of the above securities investment amount is based on the original investment cost.

Article 8 Control over the acquisition or disposal of assets by subsidiary companies is governed by the following procedures:

一、 Subsidiary companies of our company are required to establish and implement "Asset Acquisition or Disposal Procedures" in accordance with the regulations outlined in the Financial Supervisory Commission's letter No.0910006105. Amendments to these procedures require approval from at least two-thirds of the members of the audit committee and subsequent approval by the board of directors. Any revisions to these procedures must also be approved by the shareholders' meeting.

二、 Subsidiary companies must handle the acquisition or disposal of assets in accordance with their own established "Internal Control Systems" and "Asset Acquisition or Disposal Procedures." They are also required to submit a written summary of any individual or cumulative transactions exceeding NT\$10 million of the same nature, as well as the status of derivative transactions conducted until the end of the previous month, to our company by the 5th day of each month. The internal audit unit of our company should include the acquisition or disposal of assets by subsidiary companies as one of its quarterly audit items. If any significant violations are discovered, the audit committee should be notified promptly in writing.

三、 If the subsidiary company is not a domestically listed public company and its acquisition or disposal of assets meets the criteria for public announcement and reporting as outlined in Article 6, they must inform our company of the transaction within the day of its occurrence. Our company will then handle the public announcement and reporting on a designated website according to the regulations. For subsidiary companies subject to the criteria for public announcement and reporting under Article 6, the determination of the paid-in capital or total assets shall be based on our company's capital or total assets.

Article 9 Related Party Transactions

The company has acquired or disposed of assets with related parties. In addition to following the procedures and evaluating the reasonableness of the transaction conditions as specified in the preceding articles and this article, if the transaction amount reaches ten

percent or more of the company's total assets, the company should also obtain an appraisal report from a professional appraiser or an opinion from an accountant in accordance with the provisions of the preceding articles. The calculation of the transaction amount shall be handled in accordance with Article 6-1. When determining whether the counterparty is a related party, attention shall be paid not only to its legal form but also to the substantive relationship.

一、Decision-making Procedures

When the company acquires or disposes of real estate or its usage rights with related parties, or other assets with related parties with a transaction amount reaching twenty percent of the company's paid-in capital, ten percent of the total assets, or over three hundred million New Taiwan Dollars, except for the purchase and sale of domestic bonds, repurchase agreements, bond repos, or subscription or repurchase of money market funds issued by domestic securities investment trust enterprises, the executing unit shall submit the following information. After obtaining approval from more than half of the members of the Audit Committee and approval from the Board of Directors, the transaction contract and payment shall be made:

- (一) Purpose, necessity, and expected benefits of acquiring or disposing of assets.
- (二) Reasons for selecting related parties as transaction counterparts.
- (三) Relevant information for assessing the reasonableness of the proposed transaction conditions with related parties in accordance with Articles 9-2 and 9-3.
- (四) Information such as the original acquisition date and price of the related party, transaction counterpart, and their relationship with the company and related parties.
- (五) Forecasted cash flow statements for each month of the upcoming year starting from the contract month, and assessment of the necessity of the transaction and the reasonableness of fund utilization.
- (六) Appraisal report issued by a professional appraiser or opinion from an accountant in accordance with the preceding article.
- (七) Restriction conditions and other important contractual agreements of this transaction.

If the company or its subsidiary, which is not a domestic public company, acquires or disposes of real estate or its usage rights with related parties, or other assets with related parties with a transaction amount reaching ten percent or more of the company's total assets, the company shall submit the above information for approval at the shareholders' meeting before signing the transaction contract and making payment. However, transactions between the company and its parent company,

subsidiaries, or subsidiaries holding one hundred percent of the issued shares or total capital stock of another subsidiary are not subject to this restriction. The calculation of the transaction amount in the preceding paragraph shall be handled in accordance with Article 6, and the term "within one year" shall be based on the date of the occurrence of the transaction fact of this transaction as the reference, and one year shall be retroactively calculated from that date, and the part that has been submitted to the shareholders' meeting, Audit Committee, and Board of Directors for approval shall be excluded.

The company and its subsidiaries, or subsidiaries holding one hundred percent of the issued shares or total capital stock directly or indirectly owned by the company or its subsidiaries, engage in the following transactions with each other. The Board of Directors may authorize the Chairman of the Board to make decisions within a certain limit, subject to subsequent ratification by the most recent Board of Directors meeting.

1. Acquisition or disposal of equipment for business use or its usage rights.
2. Acquisition or disposal of real estate usage rights for business use.

When submitting to the Board of Directors for discussion in accordance with the preceding paragraph, due consideration shall be given to the opinions of independent directors. If any independent director has objections or reservations, they shall be recorded in the minutes of the Board of Directors meeting. If less than half of the members of the Audit Committee agree, it may be approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting. The term "all members of the Audit Committee" and "all directors" referred to in the preceding paragraph shall be based on the actual number of incumbents.

二、Evaluation of Transaction Conditions

When the company acquires real estate or its usage rights from related parties, the reasonableness of the transaction cost shall be assessed by the following methods:

- (一) The transaction price with related parties plus necessary funds, interest costs, and costs borne by the buyer in accordance with the law. The necessary funds' interest costs shall be calculated based on the weighted average interest rate of loans borrowed by the company for the purchase of assets during the year, provided that it shall not exceed the highest borrowing interest rate announced by the Ministry of Finance for non-financial industries.
- (二) If the related party has previously set up a mortgage loan with a financial institution using the subject matter of the transaction, the total value of the financial institution's assessment of the subject matter of the loan, provided that

the actual cumulative value of the financial institution's lending for the subject matter shall account for at least seventy percent of the total assessment value and the lending period has exceeded one year. However, this does not apply if the financial institution and one of the parties to the transaction are related parties.

(三) When jointly purchasing or leasing the same property, the land and buildings may be evaluated separately using any of the methods listed in (一) and (二) above.

(四) When acquiring real estate or its usage rights from related parties, the cost of real estate or its usage rights shall be evaluated according to the provisions of (一) and (二) above, and shall be reviewed and provided with specific opinions by accountants.

(五) If any of the following situations occur when acquiring real estate or its usage rights from related parties, Article 9 shall apply, and the preceding three provisions shall not apply:

1. The related party acquired the real estate or its usage rights through inheritance or gift.
2. The time between the related party's contract to acquire the real estate or its usage rights and the contract date of this transaction has exceeded five years.
3. Signing a joint development contract with the related party, or commissioning the related party to construct real estate through land commissioning or leasing.
4. When two companies, or subsidiaries holding one hundred percent of the issued shares or total capital stock directly or indirectly owned by the company or its subsidiaries, acquire real estate usage rights for business use from each other.

三、When the evaluation results of the preceding two provisions are lower than the transaction price, the following shall be handled in accordance with the provisions of Article IV below. However, if there is evidence and specific reasonable opinions from real estate appraisers and accountants, the following exceptions apply:

(一) If the related party acquired raw land or leased land for subsequent construction, it may provide evidence that meets one of the following conditions:

1. The land is evaluated using the method specified in the preceding article, while the house is assessed based on the related party's construction costs plus reasonable construction profit. The total exceeds the actual transaction

price. Reasonable construction profit should be based on the average operating margin of the related party's construction department over the past three years or the lower of the most recent construction industry margin rate announced by the Ministry of Finance.

2. Other floors of the same property or other non-related party transactions within one year in the nearby area, with similar areas and conditions after evaluating reasonable floor or regional price differences according to real estate trading practices.

(二) The company provides evidence that the transaction conditions for acquiring real estate or leasing real estate usage rights from related parties are comparable to other non-related party transactions in the nearby area within one year and have similar areas.

The term "nearby area transaction cases" refers to the same or adjacent street blocks within a radius of five hundred meters of the subject property or those with similar assessed values. The term "similar areas" means that the area of other non-related party transaction cases is not less than fifty percent of the subject property area. The term "within one year" refers to one year retroactively calculated from the date of the occurrence of the fact of acquiring real estate or its usage rights in this transaction.

四、When the company acquires real estate or its usage rights from related parties, if the evaluation results according to the preceding two provisions are lower than the transaction price, the following shall be handled:

(一) The difference between the transaction price of real estate or its usage rights and the evaluated cost shall be provisioned as a special surplus reserve in accordance with Article 41, Paragraph 1 of the Securities Trading Law and shall not be distributed or increased by capitalization. If the company's investment adopts the equity method of valuation and is a publicly traded company, the amount shall also be provisioned as a special surplus reserve according to Article 41, Paragraph 1 of the Securities Trading Law based on the proportion of ownership.

(二) The preceding paragraph shall apply mutatis mutandis to independent director members of the Audit Committee.

(三) The handling of the above (一) and (二) shall be reported to the shareholders' meeting, and the detailed transaction information shall be disclosed in the annual report and public prospectus.

When the company provisions a special surplus reserve in accordance with Paragraph (一), it shall wait until the assets acquired at a higher price or leased

assets have recognized impairment losses or terminated lease contracts, or appropriate compensation or restoration has been made, or other evidence confirms no unreasonable circumstances, and shall obtain approval from the Financial Supervisory Commission before using the special surplus reserve.

If there is other evidence indicating that the transaction deviates from normal business practices, the company shall also handle it in accordance with the provisions of Paragraphs (一) and (二) above.

Article 10 Derivative Trading Activities

一、Principles and Policies of Trading

(一) Types of Transactions: The company may engage in various types of derivative transactions, including forward contracts, options, interest rate and currency swaps, futures, and composite contracts composed of the aforementioned instruments. Any other transactions require prior approval from the Board of Directors.

(二) Operating or Hedging Strategies: Derivative transactions are categorized into hedging and non-hedging (speculative) transactions. The primary objective of these strategies should be to mitigate operational risks. Selection of trading instruments should focus on mitigating risks associated with foreign exchange income, expenses, assets, or liabilities generated by the company's operations. Non-hedging transactions may be entered into opportunistically to increase non-operating income or reduce non-operating losses. Additionally, counterparties should preferably be financial institutions with whom the company conducts business to avoid credit risks. It is essential to clearly define transactions as hedging or investment-seeking financial operations before execution for accounting purposes.

(三) Transaction Limits:

1. Hedging Transactions: Limited to the net foreign exchange position (including anticipated future positions) after consolidating assets and liabilities.
2. Non-hedging Transactions: Not to exceed USD 1.5 million. Prior to execution, traders must submit a foreign exchange trend analysis report outlining market trends and proposed trading strategies for approval.

(四) Maximum Loss Limits for All and Individual Contracts:

1. Hedging Transactions: Since hedging transactions are tailored to the company's actual needs, risks are assessed and controlled in advance, and therefore, there is no maximum loss limit.

2. Non-hedging Transactions: Stop-loss points should be established after position establishment to prevent excessive losses. Stop-loss limits should not exceed 10% of the contract amount, and the total cumulative annual loss should not exceed USD 300,000.

(五) Responsibility Assignment:

1. Traders: Appointed by the Chairman to execute derivative trading activities. They are responsible for devising trading strategies within authorized limits, executing trade instructions, disclosing future trading risks, and providing real-time information to relevant departments.
2. Accountants: Responsible for confirming transactions, accounting according to relevant regulations, maintaining transaction records, conducting fair market value assessments of held positions regularly, and disclosing derivative transactions in financial statements.
3. Finance Personnel: Responsible for transaction settlements.

(六) Performance Evaluation:

1. Hedging Transactions: Performance evaluation is based on the difference between the company's book rate and the gains or losses from derivative financial transactions. It should be conducted at least twice a month and reported to management.
2. Speculative Transactions: Performance evaluation is based on actual gains or losses generated. It should be conducted at least once a week and reported to management.

二、Risk Management Measures

When engaging in derivative trading, the company shall implement the following risk management measures:

- (一) Consideration of Credit Risk: Transactions should be conducted with reputable financial institutions and futures brokers that can provide professional information.
- (二) Consideration of Market Risk: Due to the uncertain nature of future market price fluctuations of derivative instruments, stop-loss points should be strictly adhered to after position establishment.
- (三) Consideration of Liquidity Risk: To ensure liquidity of traded instruments, institutions must have sufficient equipment, information, and trading capabilities to operate in any market.
- (四) Consideration of Operational Risk: Compliance with authorized limits and operational procedures is crucial to mitigate operational risks.
- (五) Consideration of Legal Risk: Contracts with financial institutions should

preferably use international standardized documents to mitigate legal risks.

- (六) Consideration of Product Risk: Internal traders should possess comprehensive and accurate professional knowledge to avoid misusing derivative instruments leading to losses.
- (七) Consideration of Cash Settlement Risk: Authorized traders must strictly comply with authorized limits and monitor company cash flows to ensure sufficient cash for settlement.
- (八) Trading personnel and personnel involved in confirmation, delivery, and other operations must not hold concurrent positions.
- (九) Confirmation personnel should regularly reconcile with counterpart banks through account statements or correspondence and should verify whether the total transaction amount exceeds the limit specified in this processing procedure.
- (十) Personnel responsible for risk measurement, supervision, and control should belong to different departments from those mentioned in (一) and should report to the Audit Committee, the Board of Directors, or senior executives responsible for trading or position decisions.
- (十一) Positions held should be evaluated at least weekly, with a minimum of bi-monthly evaluations for hedging transactions conducted for business needs. Evaluation reports should be submitted to senior executives authorized by the Board of Directors (Note: Non-executive senior executives should be designated).

三、Internal Audit System

- (一) The internal audit personnel of the company should regularly assess the adequacy of internal controls over derivative transactions and conduct monthly audits of the operational procedures for derivative transactions conducted by the trading department in accordance with regulations. Audit reports should be prepared, and in case of discovering significant violations, they should immediately report to the Chairman and the designated senior management of the Board of Directors, and notify the Audit Committee and independent directors in writing.
- (二) The internal audit personnel of the company should include derivative transactions in the audit plan and report the execution status of the annual audit plan for the previous year to the Financial Supervisory Commission by the end of February of the following year. Any improvements in abnormal situations should be reported to the Financial Supervisory Commission for inspection by the end of May of the following year at the latest.

四、Regular Evaluation Methods and Handling of Abnormal Situations

- (一) Derivative transactions should be regularly evaluated monthly or weekly, and the profits and losses for the month or week and the outstanding positions of non-hedging transactions should be summarized. These reports should be submitted to the senior executives authorized by the Board of Directors and the Chairman for management performance evaluation and risk assessment.
- (二) The senior executives designated by the Board of Directors of the company should continuously monitor and control the risks of derivative transactions. The Board of Directors should assess whether the performance of derivative transactions complies with established business strategies and whether the risks undertaken are within the company's acceptable range.
- (三) The senior executives authorized by the Board of Directors should manage derivative transactions according to the following principles:
 1. Regularly assess whether the current risk management measures are appropriate and implemented in accordance with the "Guidelines for Public Companies to Acquire or Dispose of Assets" formulated by the Financial Supervisory Commission and the relevant provisions of this processing procedure.
 2. Supervise transactions and profit/loss situations. In case of detecting abnormal situations, necessary response measures should be taken, and the Board of Directors should be immediately informed. Independent directors should attend the Board of Directors meeting and provide their opinions.
- (四) Companies engaged in derivative transactions should establish a record book, detailing the types and amounts of derivative transactions, the date of approval by the Board of Directors, the monthly or weekly regular evaluation reports, and the matters for regular evaluation by the Board of Directors and senior executives authorized by the Board of Directors.

Article 11 Merger, Division, Acquisition, or Share Transfer

- 一、Before convening the Audit Committee and the Board of Directors for resolutions regarding merger, division, acquisition, or share transfer, it is necessary to engage accountants, lawyers, or securities underwriters to provide opinions on the reasonableness of the exchange ratio, acquisition price, or distribution of cash or other assets to shareholders, and submit them to the Board of Directors for discussion and approval. However, when a merger occurs between subsidiaries holding one hundred percent of the issued shares or total capital directly or indirectly, or between subsidiaries holding one hundred percent of the issued shares or total capital directly or indirectly, it is exempt from obtaining the aforementioned

expert opinion on reasonableness.

- 二、 When the Company conducts a merger, division, or acquisition, it shall prepare a public document addressed to the shareholders before the shareholders' meeting, along with the expert opinions mentioned above and the notice of the shareholders' meeting, for shareholders' reference on whether to approve the merger, division, or acquisition. However, if a shareholders' meeting is not required to be convened according to other laws for resolutions on merger, division, or acquisition matters, this provision does not apply. If the shareholders' meeting of any participating company cannot be convened or resolutions cannot be passed for any reason, or if the proposal is rejected, the Company shall immediately publicly explain the reasons for the occurrence, follow-up procedures, and the expected date of the shareholders' meeting to be convened.
- 三、 Unless otherwise provided by other laws or approved by the Financial Supervisory Commission (FSC) due to special reasons in advance, when the Company participates in a merger, division, or acquisition, it shall convene the Audit Committee, the Board of Directors, and the shareholders' meeting on the same day as other participating companies to resolve the relevant matters of the merger, division, or acquisition. Similarly, when participating in share transfer, except as otherwise provided by other laws or approved by the FSC due to special reasons in advance, the Company shall convene the Audit Committee and the Board of Directors on the same day as other participating companies. For listed companies or companies whose stocks are traded at securities firms participating in mergers, divisions, acquisitions, or share transfers, the following information shall be recorded in complete written form and kept for five years for audit purposes:
 - (一) Basic information of personnel: including titles, names, and ID numbers (passport numbers for foreigners) of all persons involved in merger, division, acquisition, or share transfer plans or plan executions before the public disclosure of information.
 - (二) Important dates: including dates of signing letters of intent or memoranda, commissioning financial or legal advisors, signing contracts, and holding meetings of the Audit Committee, the Board of Directors, etc.
 - (三) Important documents and meeting minutes: including merger, division, acquisition, or share transfer plans, letters of intent or memoranda, important contracts, and minutes of meetings of the Audit Committee, the Board of Directors, etc.

For listed companies or companies whose stocks are traded at securities firms participating in mergers, divisions, acquisitions, or share transfers, within two days

from the date of the Board of Directors' resolution, the information specified in the first and second items above shall be submitted to the FSC via the internet information system in the prescribed format for inspection.

For companies participating in mergers, divisions, acquisitions, or share transfers that are not public companies or whose stocks are not traded at securities firms, the listed companies or companies whose stocks are traded at securities firms shall sign agreements with them and handle them in accordance with the provisions of the preceding two items.

- 四、 All persons involved in or informed of the Company's merger, division, acquisition, or share transfer plans shall issue written confidentiality commitments and shall not disclose the contents of the plans to third parties before the information is made public, nor shall they buy or sell stocks of all companies related to the merger, division, acquisition, or share transfer cases on their own behalf or in the name of others.
- 五、 Except for the following circumstances, the exchange ratio or acquisition price for mergers, divisions, acquisitions, or share transfers shall not be arbitrarily changed and shall be stipulated in the merger, division, acquisition, or share transfer agreement as the situations where changes may be made:
 - (一) Conducting cash capital increase, issuing convertible bonds, free stock dividends, issuing convertible bonds with warrants, issuing warrants, and other securities with equity nature.
 - (二) Conducting acts that affect the company's financial and business operations, such as disposing of major assets of the company.
 - (三) Occurrence of significant events affecting shareholder rights or securities prices of the company, such as major disasters or significant technological changes.
 - (四) Adjustment of treasury shares repurchased by any party participating in the merger, division, acquisition, or share transfer in accordance with the law.
 - (五) Changes in the number of participating entities or households in mergers, divisions, acquisitions, or share transfers.
 - (六) Other conditions stipulated in the contract that have been publicly disclosed.
- 六、 When the Company participates in a merger, division, acquisition, or share transfer, the contract shall specify the rights and obligations of the participating companies, the circumstances under which the exchange ratio or acquisition price may be changed as stipulated in the preceding article, and the following matters:
 - (一) Handling of defaults.
 - (二) Treatment of securities with equity nature or treasury shares repurchased by

companies that are dissolved or divided before the merger.

- (三) The quantity of treasury shares that may be repurchased by participating companies after the base date for calculating the exchange ratio and its treatment principles according to the law.
 - (四) Handling methods for changes in the number of participating entities or households.
 - (五) Planned execution progress and expected completion schedule.
 - (六) Relevant processing procedures such as the scheduled date for convening a shareholders' meeting in case of delay in the implementation of the plan.
- 七、 After the information on mergers, divisions, acquisitions, or share transfers is disclosed, if the Company intends to conduct further mergers, divisions, acquisitions, or share transfers with other companies, except for cases where the number of participating households decreases and the shareholders' meeting has already resolved and authorized the board of directors to change the authority, the procedures or legal acts already completed in the original case shall be repeated by the participating companies.
- 八、 For companies participating in mergers, divisions, acquisitions, or share transfers that are not public companies, the Company shall sign agreements with them and handle them in accordance with the provisions of the third, fourth, and eighth paragraphs of this processing procedure.

Article 12 Other Important Matters

- 一、 The appraiser and the personnel involved in the appraisal, as well as accountants, lawyers, or securities underwriters engaged by the Company to obtain valuation reports or opinions, shall comply with the following provisions:
- (一) They have not been sentenced to imprisonment of more than one year for violations of this Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, the Commercial Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or criminal acts related to business. However, those who have completed their sentence, reached the end of their probation period, or have been granted amnesty for more than three years shall not be subject to this restriction.
 - (二) They shall not be related parties or have substantial relationships with the parties to the transaction.
 - (三) If two or more professional appraisers' valuation reports are required, the appraisers or personnel involved in the valuation reports shall not be related parties or have substantial relationships with each other.

When issuing valuation reports or opinions, the personnel mentioned above

shall comply with the self-discipline regulations of their respective professional associations and the following matters:

- (一) Before taking on the case, they shall carefully assess their own professional capabilities, practical experience, and independence.
- (二) During the execution of the case, they shall properly plan and execute appropriate operational procedures to form conclusions and issue reports or opinions; and the procedures executed, data collected, and conclusions drawn shall be fully documented in the case working papers.
- (三) The appropriateness and reasonableness of the sources, parameters, and information used shall be evaluated item by item as the basis for issuing valuation reports or opinions.
- (四) Declaration matters shall include the professionalism and independence of relevant personnel, the appropriateness and reasonableness of the information used in the assessment, and compliance with relevant laws and regulations.

二、 The acquisition or disposal of assets by the Company shall be subject to the approval of more than half of all members of the Audit Committee in accordance with this procedure or other legal provisions, and shall be submitted to the Board of Directors for approval before being implemented, and shall be implemented after obtaining the consent of the shareholders' meeting, and the same shall apply to amendments. The opinions of each independent director shall be fully considered, and their opinions and reasons for agreement or disagreement shall be recorded in the meeting minutes. For significant asset or derivative transactions, the approval of more than half of all members of the Audit Committee is required, and after the resolution of the Board of Directors, it shall be submitted to the shareholders' meeting for approval before implementation, and the same shall apply to amendments. If the aforementioned actions are not approved by more than half of all members of the Audit Committee, they may be carried out with the consent of more than two-thirds of all directors, and the decision of the Audit Committee shall be recorded in the minutes of the board of directors' meeting.

三、 This processing procedure shall be formulated with the consent of more than half of the members of the Audit Committee and approval by the Board of Directors, and implemented after approval by the shareholders' meeting, and the same applies to amendments. If a director dissents and there is a record or written statement, the opinions of each independent director shall be fully considered, and their agreement or disagreement and reasons shall be recorded in the meeting minutes. If the consent of more than half of the members of the Audit Committee is not obtained, it may be approved by more than two-thirds of the directors, and the decision of the Audit

Committee shall be recorded in the board meeting minutes.

Article 13 Penalties

If the personnel responsible for the acquisition or disposal of assets by the Company violate the "Guidelines for Handling the Acquisition or Disposal of Assets by Publicly Issued Companies" issued by the Financial Supervisory Commission (FSC) or this processing procedure, the following provisions shall apply depending on the severity of the violation. Violations shall be recorded and used as a reference for annual individual performance evaluations.

(一) Violation of decision-making authority:

First-time offenders shall receive verbal admonishment. Repeat offenders shall receive written warnings and mandatory participation in the Company's internal control system training courses. Repeat offenders with serious violations shall be transferred to another position.

(二) Violation of evaluation procedures: First-time offenders shall receive verbal admonishment. Repeat offenders shall receive written warnings and mandatory participation in the Company's internal control system training courses. Repeat offenders with serious violations shall be transferred to another position.

(三) Violation of announcement and declaration: First-time offenders shall receive verbal admonishment. Repeat offenders shall receive written warnings. Repeat offenders with serious violations shall be transferred to another position.

(四) The superior supervisor of the personnel who violate the regulations shall also be subject to punishment. However, if they can reasonably demonstrate that they have taken preventive measures in advance, they shall not be subject to punishment.

(五) If the Board of Directors or directors violate relevant regulations and resolutions of the shareholders' meeting, the supervisor shall notify the Board of Directors or directors to cease their actions in accordance with Article 218-2 of the Company Act.

Chip Hope Co., Ltd Articles of Incorporation

Chapter 1 General Principals

The Company is called Chip Hope Co., Ltd and is registered as a company limited by shares according to the ROC Company Act.

The Company is engaged in the following businesses:

- I. CB01010 Mechanical Equipment Manufacturing
- II. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
- III. CC01070 Telecommunication Equipment and Apparatus Manufacturing
- IV. CC01080 Electronics Components Manufacturing
- V. CC01110 Computer and Peripheral Equipment Manufacturing
- VI. F113010 Wholesale of Machinery
- VII. F113020 Wholesale of Household Appliance
- VIII. F113050 Wholesale of Computers and Clerical Machinery Equipment
- IX. F119010 Wholesale of Electronic Materials
- X. F213010 Retail Sale of Electrical Appliances
- XI. F213030 Retail Sale of Computers and Clerical Machinery Equipment
- XII. F213080 Retail Sale of Other Machinery and Equipment
- XIII. F401010 International Trade
- XIV. I501010 Product Designing
- XV. CF01011 Medical Devices Manufacturing
- XVI. F108031 Wholesale of Drugs, Medical Goods
- XVII. F208031 Retail Sale of Medical Apparatus
- XVIII. CE01021 Weights and Measuring Instruments Manufacturing
- XIX. F401181 Measuring Instruments Import
- XX. JZ99080 Beauty Shops
- XXI. F113070 Wholesale of Telecommunication Apparatus
- XXII. F213060 Retail Sale of Telecommunication Apparatus
- XXIII. CC01100 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
- XXIV. E603080 Traffic Signs Installation Engineering
- XXV. E603090 Lighting Equipments Construction
- XXVI. EZ06010 Traffic Marking Engineering
- XXVII. F113090 Wholesale of Traffic Sign Equipments and Materials
- XXVIII. IG03010 Energy Technical Services
- XXIX. CC01010 Manufacture of Power Generation, Transmission and Distribution Machinery
- XXX. CE01030 Optical Instruments Manufacturing
- XXXI. CB01990 Other Machinery Manufacturing
- XXXII. C103050 Manufacturing of Canning, Freezing, Dehydration, Pickled of Food
- XXXIII. C199990 Manufacture of Other Food Products Not Elsewhere Classified
- XXXIV. C101010 Slaughter
- XXXV. C801010 Basic Industrial Chemical Manufacturing
- XXXVI. C801990 Other Chemical Materials Manufacturing
- XXXVII. C802120 Industrial and Additive Manufacturing
- XXXVIII. C802990 Other Chemical Products Manufacturing
- XXXIX. F107170 Wholesale of Industrial Catalyst
- XL. F107200 Wholesale of Chemical Feedstock
- XLI. F107990 Wholesale of Other Chemical Products
- XLII. F101050 Wholesale of Fishery Products
- XLIII. F101990 Wholesale of Other Agricultural, Husbandry and Aquatic Products

- XLIV. F113030 Wholesale of Precision Instruments
- XLV. F213040 Retail Sale of Precision Instruments
- XLVI. CE01010 General Instrument Manufacturing
- XLVII. I103060 Management Consulting
- XLVIII. F102030 Wholesale of Tobacco Products and Alcoholic Beverages
- XLIX. F201010 Retail Sale of Agricultural Products
- L. F203020 Retail Sale of Tobacco and Alcohol
- LI. F208040 Retail Sale of Cosmetics
- LII. F301010 Department Stores
- LIII. F301020 Supermarkets
- LIV. F399010 Convenience Stores
- LV. F501060 Restaurants
- LVI. J901020 Hotels and Motels
- LVII. JB01010 Conference and Exhibition Services
- LVIII. JE01010 Rental and Leasing Business
- LIX. CC01120 Data Storage Media Manufacturing and Duplicating
- LX. I301010 Software Design Services
- LXI. I301020 Data Processing Services
- LXII. I301030 Electronic Information Supply Services
- LXIII. JZ99050 Agency Services
- LXIV. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval

The Company may invest in other companies or make external guarantee for business need. The total investment amount may exceed 40% of the paid-in capital.

The Company's headquarter is located in New Taipei City. The Company may set up branch companies within Taiwan or abroad by resolution of the Board of Directors.

Chapter 2 Shares

The Company's authorized capital is NT\$2 billion, divided into 200 million shares with a par value of NT\$10 each. The unissued shares are authorized to be issued in installments by the Board of Directors.

The Company's treasury shares transferred to employees, shares reserved for employee subscription during new stock issuance, employee stock warrants, and newly issued shares with restricted employee rights may be transferred, subscribed, or issued to employees of the Company and its subsidiaries or affiliates, provided they meet certain eligibility criteria.

The company's shares are all registered with serial numbers and affixed with the signatures or personal seals of the director representing the company. The shares are duly certified or authenticated by the bank which is competent to certify shares under the laws. The Company may be exempted from printing any share certificate for the shares issued but shall register the issued shares with a centralized securities depository enterprise.

The Company's repurchased treasury shares may be transferred to employees of controlling or affiliated companies who meet certain conditions, with the specific conditions to be determined by the Board of Directors.

The company's treasury stocks may be transferred to employees at a price lower than the average repurchase price, provided that a majority of the total issued shares represented by the shareholders' meeting attend, and a two-thirds majority of attending shareholders vote in favor.

The transfer of treasury stocks acquired by the company in accordance with the law may include employees of affiliated companies who meet certain conditions, which are authorized by the board of directors to establish.

Shareholders of the Company shall, unless otherwise provided by the laws and regulations, proceed with the exercise of their rights in relation to transfer of share ownership, creation of pledge, reporting of loss, succession, donation, alteration of seal or address, etc., in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies".

The entries in the shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.

There are two kinds of Shareholders' meeting: regular meeting and special meeting. The regular meeting is held once every year within 6 months after the end of fiscal year. The special meeting is held when necessary.

A shareholders meeting shall, unless otherwise provided for in the Company Act, be convened by the Board of Directors.

The shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

Chapter 3 Shareholders' Meeting

If a shareholder is not able to attend the shareholders' meeting, he may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney issued by the Company stating therein the scope of power authorized to the proxy. Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the company, otherwise, the portion of excessive voting power shall not be counted.

Each share held by the Company's shareholder has one voting right unless ruled out by the Company Act or other related regulations.

The shareholders' meeting is handled according to Rules of Procedures for Shareholders' Meeting. Resolutions at a shareholders' meeting shall, unless otherwise provided for in this Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

Chapter 4 Director, Audit Committee, and Managerial Officer

The Company has 7 to 9 directors who shall be elected by the shareholders' meeting from among the persons with disposing capacity. The Board of Directors is authorized to decide the number of directors. The tenure of directors is three years. The director is eligible for re-election.

There should be no less than three independent directors among the aforementioned directors and no less than one third of director seats. The candidates nomination system is adopted in election of directors. The professional qualification, share ownership, limitation of holding concurrent post, nomination, election, and other compliance matters shall follow related regulations stipulated by competent securities authorities.

According to the Securities and Exchange Act, the Company has set up the audit committee and is composed of the entire number of independent directors. The responsibility, articles of incorporation, execution of duty, and other compliance matters shall follow the rules of competent authority.

If a director is not able to attend the board of directors' meeting, he may appoint a director to attend in his behalf by executing a power of attorney stating therein the scope of power authorized to the proxy.

The Chairman of the Board and one Vice Chairman shall be elected from among the directors by a majority vote of the directors present at a Board meeting attended by directors representing at least two-thirds of the total number of directors. The chairman represents the Company.

The cause(s) or subject(s) of a board of directors' meeting to be convened shall be indicated in the individual notice to be given to directors. In the case of emergency, a meeting of the board of directors may be convened at any time. The convening of the afore-mentioned meeting may be conducted in written form, fax, or electronic mail.

In case the chairman is on leave or unable to exercise his/her functional duties for any reason, the proxy shall be done in accordance with Paragraph 3, Article 208 of the Company Act.

The board of directors is authorized to decide remuneration of directors according to the degree of

participation in the Company's operation, value of contribution, and the average industry level. The Company may purchase liability insurance for directors.

The Company may set up a president and several vice presidents. The appointment, discharge, and remuneration shall follow Article 29 of the Company Act.

Chapter 5 Accounting

The fiscal year of the Company is from January 1 to December 31 of every year. The board of directors shall, at the end of each fiscal year, submit below reports and statements to the audit committee for review 30 days before the annual shareholders' meeting and submit them to the shareholders' meeting for ratification.

I. Business report.

II. Financial statements.

III. Proposal of earnings distribution or deficit appropriation.

If the Company is profitable in a given year, 5% to 10% of the profit shall be allocated as employee compensation, and no more than 2% of the profit shall be allocated as director compensation. Among the employee compensation, 2% to 5% shall be allocated to the compensation of lower-level employees. However, if the Company has accumulated losses, these shall be offset first.

The payout of employee and director remuneration shall be made by majority of vote of the directors present at the meeting of board of directors attended by directors representing two-thirds of the directors. The above resolution shall be reported to the shareholders' meeting.

The employee remuneration shall be made by shares or cash. The remuneration may be paid to employees of affiliated companies that meet certain conditions.

The payment of director remuneration shall only be made in cash.

If the Company has net income for the year, the tax shall be paid first and accumulated loss shall be offset; then 10% of legal reserve shall be appropriated, and special reserve shall be appropriated or reversed according to law or rules from the competent authority. The board of directors shall propose distribution for the remaining amount and accumulated earnings from prior years and submit the proposal to shareholders' meeting for resolution and distribution.

The Company's dividend policy is primarily focused on balancing cash dividends and stock dividends. The policy will take into account factors such as current and future development plans, investment environment, capital requirements, domestic and international competition, and capital budgeting, while considering both shareholder interests and capital adequacy. From the distributable earnings as mentioned above, at least 20% of the available distributable earnings will be allocated as total dividends each year, which may be distributed in the form of stock dividends or cash dividends. The cash dividend shall not be less than 15% of the total dividend.

The board of directors may distribute dividend, part or all of capital reserve or legal reserve in cash by majority of vote of the directors present at the meeting of board of directors attended by directors representing two-thirds of the directors. The resolution shall be reported to the shareholders' meeting.

Chapter 6 Appendix

The bylaws and rules of procedure of the Company shall be stipulated separately.

Any matter not covered by these Articles of Incorporation shall be subject to the Company Act.

The Articles of Incorporation was established on December 2, 1993.

The 1st amendment was made on February 1, 1994.

The 2nd amendment was made on March 15, 1995.

The 3rd amendment was made on November 15, 1999.

The 4th amendment was made on October 5, 2000.

The 5th amendment was made on March 5, 2002.

The 6th amendment was made on February 17, 2003.

The 7th amendment was made on May 28, 2003.

The 8th amendment was made on June 11, 2004.

The 9th amendment was made on June 14, 2005.

The 10th amendment was made on June 14, 2006.
The 11th amendment was made on June 13, 2007.
The 12th amendment was made on June 19, 2008.
The 13th amendment was made on June 16, 2009.
The 14th amendment was made on October 15, 2009.
The 15th amendment was made on April 28, 2010.
The 16th amendment was made on June 6, 2012.
The 17th amendment was made on June 10, 2013.
The 18th amendment was made on June 25, 2014.
The 19th amendment was made on May 31 2016.
The 20th amendment was made on June 11, 2020.
The 21st amendment was made on August 18, 2021.
The 22nd amendment was made on May 31, 2022.
The 23rd amendment was made on May 30, 2023.
The 24rd amendment was made on May 16, 2024.
The 25rd amendment was made on June 9, 2025.
The 26rd amendment was made on October 28, 2025.