

Stock Code: 5356

**SIRTEC**

**SIRTEC INTERNATIONAL CO., LTD.**

**2023 Annual Meeting of Shareholders**

**Meeting Handbook**

**Form of Meeting: Physical shareholders' meeting**

**Time: 9:00 a.m., June 15, 2023 (Thursday)**

**Location: 4F, No. 38, Sec. 1, Zhongxiao W. Rd.,**

**Zhongzheng Dist., Taipei City, Taiwan**

**(Beijing Hall, Caesar Park Hotel Taipei)**

**Sirtec International Co., Ltd.**  
**Handbook for the 2023 Annual Meeting of Shareholders**

**Table of Contents**

One. Meeting Procedure .....	1
Two. Meeting Agenda .....	2
Report Items .....	3
Ratification Matters .....	5
Discussion Matters .....	6
Election Matters .....	7
Other Discussions .....	8
Extemporaneous Motions .....	8
Three. Attachments	
Attachment 1: Business Report .....	9
Attachment 2: Audit Committee’s Review Report .....	11
Attachment 3: Independent Auditors’ Report and 2022 Consolidated Financial Statements .....	12
Attachment 4: 2022 Earnings Distribution Table.....	32
Attachment 5: Comparison Table Illustrating the Original and Amended Text of the “Procedures for Financial Derivatives Transactions” .....	33
Attachment 6: Comparison Table Illustrating the Original and Amended Text of the “Procedures Governing the Acquisition or Disposition of Assets” .....	39
Attachment 7: List of Director (including Independent Director) Candidates.....	54
Attachment 8: Non-compete restrictions to be released from Director Candidates.....	57
Four. Appendix	
Appendix 1: Articles of Incorporation .....	58
Appendix 2: Rules and Procedures of Shareholders' Meeting .....	63
Appendix 3: Procedures for Financial Derivatives Transactions (Before Revision) .....	68
Appendix 4: Procedures Governing the Acquisition or Disposition of Assets (Before Revision) .....	72
Appendix 5: Rules for Election of Directors .....	81
Appendix 6: Shareholdings of Directors .....	82
Five. Other Matters .....	83

## **One. Meeting Procedure**

### **Sirtec International Co., Ltd.**

#### **Procedure for the 2023 Annual Meeting of Shareholders**

I. Call the meeting to order

II. Chairman's Address

III. Report items

IV. Ratifications

V. Discussions

VI. Elections

VII. Other Discussions

VIII. Extemporary Motions

IX. Adjournment

## **Two. Meeting Agenda**

### **Sirtec International Co., Ltd.**

#### **Agenda of 2023 Annual Meeting of Shareholders**

I. Time: 9:00 a.m., June 15, 2023 (Thursday)

II. Location: 4F, No. 38, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City, Taiwan (Beijing Hall, Caesar Park Hotel Taipei)

III. Chairman's Address

IV. Report items:

- (I) 2022 Business Report
- (II) 2022 Audit Committee's review report
- (III) Report on 2022 employees' compensation and remuneration to Directors
- (IV) Report on 2022 cash dividend earnings distribution

V. Ratifications:

- (I) 2022 Business Report and financial statements
- (II) 2022 Earnings distribution

VI. Discussions:

- (I) Amendment to the Company's and subsidiaries' "Procedures for Financial Derivatives Transactions"
- (II) Amendment to the Company's and subsidiaries' "Procedures Governing the Acquisition or Disposition of Assets"

VII. Elections:

- (I) Election of the Company's Directors

VIII. Other Discussions:

- (I) Release Directors of the Company from Non-Compete restrictions

VII. Extemporaneous Motions

VIII. Adjournment

## Report items

Report item 1

(Proposed by the Board of Directors)

Subject: 2022 Business Report

Description: Please refer to Attachment 1 on pages 9~10 of the handbook for the Company's 2022 Business Report.

Report item 2

(Proposed by the Board of Directors)

Subject: 2022 Audit Committee's Review Report

Description:

- I. The Board of Directors has issued the Company's 2022 financial statements in accordance with Article 30 of the Articles of Incorporation and Article 228 of the Company Act. The financial statements have been reviewed by the Audit Committee and are considered to be of no inconsistency with the laws and regulations. In compliance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, the report has been properly issued.
- II. Please refer to Attachment 2 on page 11 of the handbook for the Audit Committee's Review Report.

Report item 3

(Proposed by the Board of Directors)

Subject: Report on 2022 employees' compensation and remuneration to Directors

Description:

- I. In accordance with Article 31 of the Company's Articles of Incorporation, if there is any profit for a specific fiscal year, the Company shall allocate 5% of the profit as remuneration to employees and shall allocate 3% at most of the profit as remuneration to Directors. Notwithstanding, an amount shall first be reserved for making up any cumulative losses of the Company before the aforementioned distribution of employee remuneration and director remuneration.
- II. As the Company suffered a loss in its parent company only financial statements for the year 2022, no remuneration is to be distributed to employees and Directors, in accordance with Article 31 of the Articles of Incorporation. The aforementioned proposal as not to distribute employee remuneration and Director remuneration has been approved by the Board of Directors.

Report item 4

(Proposed by the Board of Directors)

Subject: Report on 2022 cash dividend earnings distribution

Description:

- I. The proposed distribution is appropriated from the 2022 earnings available for distribution and has been approved by the Board of Directors on May 2, 2023. The cash dividends, amounted to NT\$ 154,560,000, will be distributed at NT\$1.5 per share. The cash dividends will be distributed to each shareholder based on shareholding percentages, and be rounded down to the nearest dollar. The amounts under one dollar due to the rounding off are summed and recognized as the Company's other income.
- II. The Board of Directors has authorized the Chairman to determine the cash dividend record date, payment date and other related matters. In the event the number of outstanding shares is affected by the Company's subsequent shares buyback, transfer or cancellation of treasury stocks, issuance of new shares because of the exercise of employee stock warrants, issuance of new shares because of the exercise of convertible bonds or other causes, the Chairman is

authorized to adjust the distribution percentage per share based on the actual number of the outstanding shares on the cash dividend record date and other related matters.

III. Please refer to Attachment 4 on page 32 for the Earnings Distribution Table .

## **Ratification Matters**

Report item 1

(Proposed by the Board of Directors)

Subject: 2022 Business Report and financial statements are submitted for ratification.

Description:

- I. The 2022 parent company only financial statements and consolidated financial statements audited by independent auditors Wang, Pan-Fa and Liu, Shu-Lin of Deloitte & Touche, together with the Business Report were submitted to and verified by the Audit Committee. It is hereby submitted for ratification.
- II. For the 2022 Business Report, independent auditors' audit report, parent company only financial statements and consolidated financial statements please refer to Attachment 1 on pages 9~10 and Attachment 3 on pages 12~31.

Resolution:

Report item 2

(Proposed by the Board of Directors)

Subject: 2022 earnings distribution is submitted for ratification.

Description: The proposal for 2022 earnings distribution has been approved by Audit Committee in the 17th Meeting of the 3rd session and the Board of Directors in the 17th Board Meeting of the 18th session on May 2, 2023. Please refer to Attachment 4 on page 32 for the Earnings Distribution Table .

Resolution:

## **Discussion Matters**

Report item 1

(Proposed by the Board of Directors)

Subject: Discussion of amendments to the Company's and subsidiaries' "Procedures for Financial Derivatives Transaction"

Description: In response to future operations, to clarify division responsibilities, to adjust authorization amounts, and to simplify the procedures, the Company plans to amend the Company's and subsidiaries' "Procedures for Financial Derivatives Transaction". Please refer to Attachment 5 on pages 33~38 for the comparison table illustrating the original and amended text.

Resolution:

Report item 2

(Proposed by the Board of Directors)

Subject: Discussion of amendments to the Company's and subsidiaries' "Procedures Governing the Acquisition or Disposition of Assets"

Description: In response to future operations and to simplify the procedures, the Company plans to amend the Company's and subsidiaries' "Procedures Governing the Acquisition or Disposition of Assets". Please refer to Attachment 6 on pages 39~53 for the comparison table illustrating the original and amended text.

Resolution:

## **Election Matters**

Report item 1

(Proposed by the Board of Directors)

Subject: Election of the Company's Directors

Description:

- I. The tenure of Directors of the 18th session will be due on June 14, 2023. The election of Directors will be held at the 2023 annual shareholders' meeting.
- II. According to Article 17 of the Company's "Articles of Incorporation", the Company shall elect 5 to 11 Directors. The tenure of Directors shall be 3 years. There shall be not less than three Independent Directors in the Board and not less than one-fifth of the total number of Directors.
- III. The Board of Directors resolved to elect the Directors of the 19th session for 7 seats (including 3 seats of Independent Directors). The Directors shall be elected based on a candidate nomination system for a tenure of 3 years from June 15, 2023 to June 14, 2026. The tenure of the previous Directors shall expire when the newly elected Directors take office.
- IV. Although Independent Directors Candidates Hsieh Pang-Chang and Tong Chun-Yi have served three terms of office of Independent Directors, considering their abundant professional experience and they have continuously provided important suggestions to the management and the Board of Directors for many years, the Company still needs their expertise and would like to nominate them as Independent Directors.
- V. The list of Director Candidates (including Independent Directors) has been resolved in the meeting of the Board of Directors. For the list of Director Candidates, Candidates' education background, experience and other relevant information, please refer to pages 54~56, Attachment 7.

Resolution:

## **Other Discussions**

Report item 1

(Proposed by the Board of Directors)

Subject: Release Directors of the Company from non-compete restrictions

Description:

- I. Pursuant to Article 209 of the Company Act, a Director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- II. Since there are Directors of the Company holding concurrent positions at other companies whose business scope is the same or similar to that of the Company, we hereby proposed to the shareholders' meeting to release the Company's Directors from non-compete restrictions.
- III. Related information on the release of non-compete restrictions please refer to Attachment 8 on page 57.

Resolution:

## **Extemporary Motions**

## **Adjournment**

## Three. Attachments

### Attachment 1

## Business Report

#### I. 2022 Business Operation:

##### (I) Operating Revenue:

The Company's and subsidiaries' 2022 consolidated net operating revenue was NT\$3,709,745 thousand, a decrease of NT\$134,473 thousand or 3.5% compared to NT\$3,844,218 thousand in 2021.

##### (II) Profitability:

The Company's and subsidiaries' 2022 consolidated net loss before income tax was NT\$35,695 thousand, a decrease of NT\$15,783 thousand or 30.66% compared to NT\$51,478 thousand in 2021. The consolidated net loss was NT\$64,604 thousand, an increase of NT\$34,398 thousand or 113.88% compared to NT\$30,206 thousand in 2021.

#### II. 2023 Business Plan:

The expected business plan for the year 2023 is as follows:

##### (I) Product Categories:

###### Electronic Products:

1. Photoelectric product - Touch Panel CRB: Touch panels for consumer products such as touch panels, large and medium-sized notebook computer screens, and automotive electronics.
2. IoT products, smart thermostats, and an American international brand's smart pet feeders testing and assembly packages.
3. USB docking station SMT prototype, testing and assembly packages.
4. LCD TV testing and assembly: provide domestic sales for a Korean international brand.
5. Network Attached Storage (NAS) SMT prototype, testing and assembly packages.
6. Police body cameras PCB prototype and testing.
7. European brand's electric vehicle tailgate automatic control system SMT prototype and testing.

###### Plastic Products:

1. Car markets: original car audio, air conditioner instrument panels, car horns, car remote control central kits, and so on. Car audio maintained stable production. Air-conditioning series and central locking parts have also received orders for various models, such as HONDA, TOYOTA, VOLVO, AUDI, and RENAULT.
2. Fast moving consumer goods markets: digital TV boxes, POS scanners, professional gaming accessories, power banks, and facial cleansing devices.
  - A. The Company has become the main supplier of Digital TV boxes and POS scanners. In addition to supplying Chinese system factories and exporting to Thailand and Mexico, these series of products will be the main plastic products of the Company.
  - B. Facial cleansing devices are new models entering the Japanese and Southeast Asian beauty industries and have a great potential.
3. Medical equipment markets: continuously cooperate with Eppendorf, a German medical detector client, Ceribell EEG Headband, and American GE medical equipment in recent years.

##### (II) Manufacturing Categories:

1. Design and manufacturing of steel molds: molds design, CNC processing, electrical discharge machining, and testing. Provide complete mold design and manufacturing through automation equipment.
2. Plastic injection molding: single-color and two-color molding. Future production mainly

focuses on the integrated planning of automatic production.

3. Plastic secondary processing: the main processes include printing and laser engraving.
4. Electronic substrate processing: use SMT equipment for electronic substrate processing, supplemented by AOI, testing, XRF and other equipment control to verify product quality. In response to the requirements of electronic product assembly environment, a number of corresponding clean room processing areas have been added.
5. Consumer electronics assembly: The Guanyin plant and Zhuhai plant continue to add assembly lines for electronic products. The main products are televisions, Internet of Things audio-visual equipment, processing of SMT components for car displays, processing of SMT components for micro motors for cars, Internet of Things pet feeders, and other commodity assemblies that combine plastic, processing, and electronics.

In the future, in addition to actively consolidating the existing core customers MOTO, Zebra, Lexmark, CommScope, and ALPS, the professional SMT processing service of the photoelectric plant (main SMT equipment) can integrate from electronic packaging to plastic mold manufacturing, injection, testing, and assembly, providing customers with One-shop manufacturing service.

(III) Southbound Policy:

The Company is deploying a production base in Vietnam to increase manufacturing and shipping flexibility, and aiming to reduce the impact brought about by the U.S.-China trade war and the risk from being highly dependent on production in a single country.

(IV) Activation of Real Estate

We are proposing to go ahead with the construction plan to implement a three-dimensional construction plant in our Sanchong Factory in the industrial park. As well as this, we aim to create the maximum benefit of the development of the area in conjunction with the urban renewal projects nearby.

Looking forward to 2023, although COVID-19 has posed significant uncertainty in the world's economy, we will continue to improve our business performance and improve operational performance in the post-pandemic era. Besides leaning the operating costs, we will make an effort to understand the market trends and seize the opportunities to enter new industries and new processes. We aim to provide our customers with one-stop purchase service including a complete process and manufacturing chain from mold design and manufacturing, injection molding, secondary processing and electronic processing to finished product assembly. We will do our utmost to pursue a stable growth of the Company for sustainable operation.

## Attachment 2

# **Sirtec International Co., Ltd. Audit Committee's Review Report**

Hereby approve

The Board of Directors has prepared the Company's 2022 Business Report, financial statements, and proposal for earnings distribution. Independent auditors Wang, Pan-Fa and Liu, Shu-Lin of Deloitte & Touche were retained to audit the financial statements and have issued an audit report. The Business Report, financial statements, and proposal for earnings distribution have been reviewed by the Audit Committee and no irregularities were found. We hereby report as above according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please kindly approve.

Sirtec International Co., Ltd. 2023 Annual General Shareholders' Meeting

Sirtec International Co., Ltd.

Convener of the Audit Committee: Hsieh Pang-Chang

May 2, 2023

## Attachment 3

### **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
SIRTEC INTERNATIONAL CO., LTD.

#### **Opinion**

We have audited the accompanying consolidated financial statements of SIRTEC INTERNATIONAL CO., LTD. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, 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. (collectively referred to as the “consolidated financial statements”).

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, 2022 and 2021, 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, 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.

#### **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, 2022. 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.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2022 is stated as follows:

### Revenue Recognition

The Group's consolidated revenue for the year 2022 was \$3,709,745 thousand. We conducted an analysis of the consolidated revenue and identified that the impact of the revenue and gross margin from specific customers were material to the consolidated financial statements. Therefore, the revenue recognition was identified as a key audit matter.

We have obtained necessary understanding and have verified the accounting policy and the design and implementation of internal controls with respect to SIRTEC INTERNATIONAL CO., LTD. and its subsidiaries' revenue recognition. We checked the consistency between the accounting policy on revenue recognition and accounting treatment for the relevant contracts of the aforementioned customers. For ensuring SIRTEC INTERNATIONAL CO., LTD. and its subsidiaries' compliance with IFRS 15, we selected samples of annual revenue from the aforementioned customers and verified the revenue recognition conditions.

### **Other Matter**

We have also audited the parent company only financial statements of SIRTEC INTERNATIONAL CO., LTD. as of and for the years ended December 31, 2022 and 2021, and 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 management and 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain 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, 2022 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 audit resulting in this independent auditors' report are Pan-Fa, Wang and Shu-Lin, Liu.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 24, 2023

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 audit such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.*

# SIRTEC INTERNATIONAL CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 906,438	15	\$ 636,989	11
Notes receivable (Notes 5 and 9)	4,487	-	3,297	-
Trade receivables (Notes 5 and 9)	729,313	12	891,238	15
Other receivables (Notes 5 and 9)	5,010	-	5,669	-
Inventories (Notes 5 and 10)	688,461	12	487,781	9
Other current financial assets (Notes 8 and 29)	503,064	9	742,107	13
Other current assets (Notes 16 and 28)	116,566	2	60,729	1
Total current assets	<u>2,953,339</u>	<u>50</u>	<u>2,827,810</u>	<u>49</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - non-current (Notes 7 and 27)	158,877	3	207,209	4
Investments accounted for using equity method (Note 12)	1,217,412	21	1,340,607	23
Property, plant and equipment (Notes 13 and 29)	945,532	16	755,383	13
Right-of-use assets (Notes 14 and 28)	276,221	5	294,906	5
Investment properties (Note 15)	312,152	5	312,999	5
Intangible assets	16,960	-	15,129	-
Deferred tax assets (Note 23)	25,905	-	21,672	-
Other non-current financial assets (Notes 8 and 29)	1,258	-	1,248	-
Other non-current assets (Notes 16 and 28)	23,634	-	51,742	1
Total non-current assets	<u>2,977,951</u>	<u>50</u>	<u>3,000,895</u>	<u>51</u>
<b>TOTAL</b>	<u>\$ 5,931,290</u>	<u>100</u>	<u>\$ 5,828,705</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 17)	\$ 260,000	4	\$ 223,000	4
Trade payables (Note 18)	413,511	7	471,931	8
Other payables (Note 19)	186,711	3	202,046	3
Current tax liabilities (Note 23)	40,393	1	6,037	-
Lease liabilities - current (Notes 14 and 28)	38,240	1	42,626	1
Current portion of long-term borrowings (Note 17)	5,806	-	-	-
Other current liabilities (Note 19)	51,744	1	27,871	1
Total current liabilities	<u>996,405</u>	<u>17</u>	<u>973,511</u>	<u>17</u>
<b>NON-CURRENT LIABILITIES</b>				
Long-term borrowings (Note 17)	8,857	-	-	-
Deferred tax liabilities (Note 23)	239,098	4	271,901	5
Lease liabilities - non-current (Notes 14 and 28)	101,057	2	121,267	2
Net defined benefit liabilities - non-current (Note 20)	5,546	-	14,430	-
Guarantee deposits received (Note 19)	240,450	4	27,411	-
Other non-current liabilities (Note 19)	7,389	-	8,594	-
Total non-current liabilities	<u>602,397</u>	<u>10</u>	<u>443,603</u>	<u>7</u>
Total liabilities	<u>1,598,802</u>	<u>27</u>	<u>1,417,114</u>	<u>24</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 21)</b>				
Ordinary shares	1,030,400	17	1,030,400	18
Capital surplus	359,062	6	359,062	6
Retained earnings				
Legal reserve	922,437	16	922,437	16
Special reserve	340,240	6	305,913	5
Unappropriated earnings	1,795,533	30	2,019,078	35
Total retained earnings	3,058,210	52	3,247,428	56
Other equity	(228,606)	(4)	(340,240)	(6)
Total equity attributable to owners of the Company	4,219,066	71	4,296,650	74
<b>NON-CONTROLLING INTERESTS (Note 11)</b>	<u>113,422</u>	<u>2</u>	<u>114,941</u>	<u>2</u>
Total equity	<u>4,332,488</u>	<u>73</u>	<u>4,411,591</u>	<u>76</u>
<b>TOTAL</b>	<u>\$ 5,931,290</u>	<u>100</u>	<u>\$ 5,828,705</u>	<u>100</u>

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

# SIRTEC INTERNATIONAL CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Loss Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE	\$ 3,709,745	100	\$ 3,844,218	100
OPERATING COSTS (Notes 10, 20 and 22)	<u>3,452,524</u>	<u>93</u>	<u>3,715,378</u>	<u>96</u>
GROSS PROFIT	<u>257,221</u>	<u>7</u>	<u>128,840</u>	<u>4</u>
OPERATING EXPENSES (Notes 9, 20, 22 and 28)				
Selling and marketing expenses	77,683	2	101,124	3
General and administrative expenses	178,278	5	157,526	4
Research and development expenses	260	-	-	-
Expected credit (gain) loss	<u>(14,909)</u>	<u>-</u>	<u>8,978</u>	<u>-</u>
Total operating expenses	<u>241,312</u>	<u>7</u>	<u>267,628</u>	<u>7</u>
PROFIT (LOSS) FROM OPERATIONS	<u>15,909</u>	<u>-</u>	<u>(138,788)</u>	<u>(3)</u>
NON-OPERATING INCOME AND EXPENSES (Notes 12, 22 and 28)				
Interest income	14,388	-	9,002	-
Other income	43,373	1	29,559	1
Other gains and losses	(15,601)	-	(33,448)	(1)
Finance costs	(9,833)	-	(4,423)	-
Share of profit or loss of associates	<u>(83,931)</u>	<u>(2)</u>	<u>86,620</u>	<u>2</u>
Total non-operating income and expenses	<u>(51,604)</u>	<u>(1)</u>	<u>87,310</u>	<u>2</u>
LOSS BEFORE INCOME TAX	(35,695)	(1)	(51,478)	(1)
INCOME TAX EXPENSE (BENEFIT) (Note 23)	<u>28,909</u>	<u>1</u>	<u>(21,272)</u>	<u>-</u>
NET LOSS FOR THE YEAR	<u>(64,604)</u>	<u>(2)</u>	<u>(30,206)</u>	<u>(1)</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 20)	7,664	-	(2,694)	-
Income tax related to items that will not be reclassified subsequently to profit or loss (Note 23)	<u>(1,533)</u>	<u>-</u>	<u>539</u>	<u>-</u>
	<u>6,131</u>	<u>-</u>	<u>(2,155)</u>	<u>-</u>

(Continued)

## SIRTEC INTERNATIONAL CO., LTD. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Loss Per Share)

	2022		2021	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss (Note 21):				
Exchange differences on translation of the financial statements of foreign operations	\$ 111,449	3	\$ (43,271)	(1)
Share of the other comprehensive income of associates accounted for using the equity method	<u>1,873</u>	<u>-</u>	<u>8,352</u>	<u>-</u>
	<u>113,322</u>	<u>3</u>	<u>(34,919)</u>	<u>(1)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>119,453</u>	<u>3</u>	<u>(37,074)</u>	<u>(1)</u>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR</b>	<u>\$ 54,849</u>	<u>1</u>	<u>\$ (67,280)</u>	<u>(2)</u>
<b>NET LOSS FOR THE YEAR ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ (61,397)	(2)	\$ (29,073)	(1)
Non-controlling interests	<u>(3,207)</u>	<u>-</u>	<u>(1,133)</u>	<u>-</u>
	<u>\$ (64,604)</u>	<u>(2)</u>	<u>\$ (30,206)</u>	<u>(1)</u>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 56,368	1	\$ (65,555)	(2)
Non-controlling interests	<u>(1,519)</u>	<u>-</u>	<u>(1,725)</u>	<u>-</u>
	<u>\$ 54,849</u>	<u>1</u>	<u>\$ (67,280)</u>	<u>(2)</u>
<b>LOSS PER SHARE (Note 24)</b>				
Basic	<u>\$ (0.60)</u>		<u>\$ (0.28)</u>	

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

(Concluded)

**SIRTEC INTERNATIONAL CO., LTD. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company											
	Share Capital Ordinary Shares	Capital Surplus	Legal Reserve	Retained Earnings		Unappropriated Earnings	Other Equity			Total	Non-controlling Interests	Total Equity
				Special Reserve	Special Reserve		Exchange Differences on Translating Foreign Operations	(Loss) Gain on Hedging Instruments	Total			
BALANCE, JANUARY 1, 2021	\$ 1,030,400	\$ 360,852	\$ 897,153	\$ 296,050	\$ 2,312,141	\$ (295,023)	\$ (10,890)	\$ 4,590,683	\$ 116,666	\$ 4,707,349		
Appropriation of 2020 earnings	-	-	25,284	-	(25,284)	-	-	-	-	-		
Legal reserve	-	-	-	9,863	(9,863)	-	-	-	-	-		
Special reserve	-	-	-	-	(226,688)	-	-	(226,688)	-	(226,688)		
Cash dividends distributed by the Company	-	-	-	-	-	-	-	-	-	-		
Changes in capital surplus from investments in associates accounted for using the equity method	-	(1,790)	-	-	-	-	-	(1,790)	-	(1,790)		
Net loss for the year ended December 31, 2021	-	-	-	-	(29,073)	-	-	(29,073)	(1,133)	(30,206)		
Other comprehensive income and loss for the year ended December 31, 2021	-	-	-	-	(2,155)	(42,679)	8,352	(36,482)	(592)	(37,074)		
BALANCE, DECEMBER 31, 2021	1,030,400	359,062	922,437	305,913	2,019,078	(337,702)	(2,538)	4,296,650	114,941	4,411,591		
Appropriation of 2021 earnings	-	-	-	34,327	(34,327)	-	-	-	-	-		
Special reserve	-	-	-	-	(133,952)	-	-	(133,952)	-	(133,952)		
Cash dividends distributed by the Company	-	-	-	-	-	-	-	-	-	-		
Net loss for the year ended December 31, 2022	-	-	-	-	(61,397)	-	-	(61,397)	(3,207)	(64,604)		
Other comprehensive income and loss for the year ended December 31, 2022	-	-	-	-	6,131	109,761	1,873	117,765	1,688	119,453		
BALANCE, DECEMBER 31, 2022	\$ 1,030,400	\$ 359,062	\$ 922,437	\$ 340,240	\$ 1,795,533	\$ (227,941)	\$ (665)	\$ 4,219,066	\$ 113,422	\$ 4,332,488		

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

# SIRTEC INTERNATIONAL CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before income tax	\$ (35,695)	\$ (51,478)
Adjustments for:		
Depreciation expenses (including investment properties)	175,547	160,894
Amortization expenses	7,496	7,511
Expected credit (reversed gain) loss recognized on trade receivables	(14,909)	8,978
Loss (gain) on financial assets at fair value through profit or loss	48,332	(37,996)
Finance costs	9,833	4,423
Interest income	(14,388)	(9,002)
Share of loss (profit) of associates	83,931	(86,620)
Net loss on disposal of property, plant and equipment	2,252	3,823
Impairment loss on non-financial assets	8,633	35,801
Gain on lease modifications	(76)	(1,327)
Changes in operating assets and liabilities		
Notes receivable	2,475	(3,297)
Trade receivables	182,700	(109,986)
Other receivables	1,768	2,513
Inventories	(197,223)	(111,799)
Other current assets	(54,369)	17,106
Other assets	1,424	14,912
Trade payables	(66,491)	72,082
Other payables	5,850	22,140
Other current liabilities	19,746	4,265
Net defined benefit liabilities	(1,220)	(1,273)
Other operating liabilities	(1,205)	849
Cash generated from (used in) operations	<u>164,411</u>	<u>(57,481)</u>
Interest received	13,279	12,242
Interest paid	(9,833)	(4,423)
Income tax paid	<u>(24,664)</u>	<u>(64,962)</u>
Net cash generated from (used in) operating activities	<u>143,193</u>	<u>(114,624)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through profit or loss	-	(169,213)
Acquisition of investments accounted for using the equity method	-	(41,376)
Net cash inflow on acquisition of subsidiary (Note 25)	2,653	-
Proceeds from capital reduction of investments accounted for using the equity method	36,000	-
Payments for property, plant and equipment	(319,097)	(139,588)
Proceeds from disposal of property, plant and equipment	26,141	16,411
Increase in refundable deposits	-	(4,703)
Decrease in refundable deposits	1,792	-
Payments for intangible assets	(9,088)	(4,080)
Payments for right-of-use assets	-	(139,278)
Increase in other financial assets	-	(101,355)

(Continued)

## SIRTEC INTERNATIONAL CO., LTD. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
Decrease in other financial assets	\$ 239,033	\$ -
Dividend received	<u>28,018</u>	<u>4,810</u>
Net cash generated from (used in) investing activities	<u>5,452</u>	<u>(578,372)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term borrowings	37,000	223,000
Repayment of long-term borrowings	(13,824)	-
Proceeds from guarantee deposits received	213,039	23,008
Repayment of the principal portion of lease liabilities	(45,442)	(45,583)
Dividends paid to owners of the Company	<u>(133,952)</u>	<u>(226,688)</u>
Net cash generated from (used in) financing activities	<u>56,821</u>	<u>(26,263)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>63,983</u>	<u>(31,211)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	269,449	(750,470)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>636,989</u>	<u>1,387,459</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 906,438</u>	<u>\$ 636,989</u>

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

(Concluded)

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
SIRTEC INTERNATIONAL CO., LTD.

### **Opinion**

We have audited the accompanying financial statements of SIRTEC INTERNATIONAL CO., LTD. (the "Company"), which comprise the balance sheets as of December 31, 2022 and 2021, 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.(collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, 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.

### **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, 2022. 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.

The key audit matter of the Company's financial statements for the year ended December 31, 2022 is stated as follows:

### Revenue Recognition

The Company's revenue for the year 2022 was \$2,494,825 thousand. We conducted an analysis of the revenue and identified that the impact of the revenue and gross margin from specific customers were material to the financial statements. Therefore, the revenue recognition was identified as a key audit matter.

We have obtained necessary understanding and have verified the accounting policy and the design and implementation of internal controls with respect to SIRTEC INTERNATIONAL CO., LTD.'s revenue recognition. We checked the consistency between the accounting policy on revenue recognition and accounting treatment for the relevant contracts of the aforementioned customers. For ensuring SIRTEC INTERNATIONAL CO., LTD.'s compliance with IFRS 15, we selected samples of annual revenue from the aforementioned customers and verified the revenue recognition conditions.

### **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 management and 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 Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain 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, 2022 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 audit resulting in this independent auditors' report are Pan-Fa, Wang and Shu-Lin, Liu.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 24, 2023

Notice to Readers

*The accompanying financial statements are intended only to present the 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 audit such financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying 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' report and financial statements shall prevail.*

# SIRTEC INTERNATIONAL CO., LTD.

## BALANCE SHEETS

DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 120,013	2	\$ 134,208	3
Notes receivable (Notes 5 and 9)	2,893	-	1,040	-
Trade receivables (Notes 5 and 9)	491,137	9	452,252	9
Trade receivables from related parties (Notes 5, 9 and 27)	876	-	2,633	-
Other receivables (Notes 5, 9 and 27)	4,977	-	3,734	-
Inventories (Notes 5 and 10)	85,806	2	126,604	2
Other current financial assets (Notes 8 and 28)	435,756	8	408,395	8
Other current assets (Notes 15 and 27)	<u>241,776</u>	<u>5</u>	<u>7,733</u>	<u>-</u>
Total current assets	<u>1,383,234</u>	<u>26</u>	<u>1,136,599</u>	<u>22</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - non-current (Notes 7 and 25)	158,877	3	207,209	4
Investments accounted for using equity method (Note 11)	3,118,147	58	3,211,391	61
Property, plant and equipment (Notes 12 and 28)	342,788	7	375,679	7
Right-of-use assets (Notes 13 and 27)	12,866	-	8,029	-
Investment properties (Note 14)	312,152	6	312,999	6
Intangible assets	2,702	-	1,378	-
Deferred tax assets (Note 22)	7,742	-	6,552	-
Other non-current financial assets (Notes 8 and 28)	1,258	-	1,246	-
Other non-current assets (Notes 15 and 27)	<u>10,482</u>	<u>-</u>	<u>7,624</u>	<u>-</u>
Total non-current assets	<u>3,967,014</u>	<u>74</u>	<u>4,132,107</u>	<u>78</u>
<b>TOTAL</b>	<u>\$ 5,350,248</u>	<u>100</u>	<u>\$ 5,268,706</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 16)	\$ 260,000	5	\$ 223,000	4
Notes and trade payables (Note 17)	196,790	4	242,995	5
Trade payables from related parties (Notes 17 and 27)	30,426	-	89,985	2
Other payables (Note 18)	76,477	1	74,508	1
Current tax liabilities (Note 22)	34,339	1	5,640	-
Lease liabilities - current (Notes 13 and 27)	5,681	-	4,907	-
Other current liabilities (Note 18)	<u>45,450</u>	<u>1</u>	<u>24,340</u>	<u>-</u>
Total current liabilities	<u>649,163</u>	<u>12</u>	<u>665,375</u>	<u>12</u>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities (Note 22)	228,209	4	262,601	5
Lease liabilities - non-current (Notes 13 and 27)	7,623	-	3,542	-
Net defined benefit liabilities - non-current (Note 19)	5,572	-	14,430	-
Guarantee deposits received	<u>240,615</u>	<u>5</u>	<u>26,108</u>	<u>1</u>
Total non-current liabilities	<u>482,019</u>	<u>9</u>	<u>306,681</u>	<u>6</u>
Total liabilities	<u>1,131,182</u>	<u>21</u>	<u>972,056</u>	<u>18</u>
<b>EQUITY (Note 20)</b>				
Ordinary shares	<u>1,030,400</u>	<u>19</u>	<u>1,030,400</u>	<u>20</u>
Capital surplus	<u>359,062</u>	<u>7</u>	<u>359,062</u>	<u>7</u>
Retained earnings				
Legal reserve	922,437	17	922,437	18
Special reserve	340,240	6	305,913	6
Unappropriated earnings	<u>1,795,533</u>	<u>34</u>	<u>2,019,078</u>	<u>38</u>
Total retained earnings	<u>3,058,210</u>	<u>57</u>	<u>3,247,428</u>	<u>62</u>
Other equity	<u>(228,606)</u>	<u>(4)</u>	<u>(340,240)</u>	<u>(7)</u>
Total equity	<u>4,219,066</u>	<u>79</u>	<u>4,296,650</u>	<u>82</u>
<b>TOTAL</b>	<u>\$ 5,350,248</u>	<u>100</u>	<u>\$ 5,268,706</u>	<u>100</u>

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

# SIRTEC INTERNATIONAL CO., LTD.

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Loss Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Note 27)	\$ 2,494,825	100	\$ 2,393,678	100
OPERATING COSTS (Notes 10, 19, 21 and 27)	<u>2,288,991</u>	<u>92</u>	<u>2,278,598</u>	<u>95</u>
GROSS PROFIT	<u>205,834</u>	<u>8</u>	<u>115,080</u>	<u>5</u>
OPERATING EXPENSES (Notes 19, 21 and 27)				
Selling and marketing expenses	25,055	1	27,287	1
General and administrative expenses	103,141	4	58,947	3
Expected credit loss	<u>1,169</u>	<u>-</u>	<u>747</u>	<u>-</u>
Total operating expenses	<u>129,365</u>	<u>5</u>	<u>86,981</u>	<u>4</u>
PROFIT FROM OPERATIONS	<u>76,469</u>	<u>3</u>	<u>28,099</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 21)	5,811	-	1,814	-
Other income (Notes 21 and 27)	14,370	-	17,485	1
Other gains and losses (Note 21)	16,453	1	27,463	1
Finance costs (Notes 21 and 27)	(3,314)	-	(1,117)	-
Share of loss of subsidiaries and associates (Note 11)	<u>(173,660)</u>	<u>(7)</u>	<u>(170,698)</u>	<u>(7)</u>
Total non-operating income and expenses	<u>(140,340)</u>	<u>(6)</u>	<u>(125,053)</u>	<u>(5)</u>
LOSS BEFORE INCOME TAX	(63,871)	(3)	(96,954)	(4)
INCOME TAX BENEFIT (Note 22)	<u>(2,474)</u>	<u>-</u>	<u>(67,881)</u>	<u>(3)</u>
NET LOSS FOR THE YEAR	<u>(61,397)</u>	<u>(3)</u>	<u>(29,073)</u>	<u>(1)</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 19)	7,664	-	(2,694)	-
Income tax related to items that will not be reclassified subsequently to profit or loss (Note 22)	<u>(1,533)</u>	<u>-</u>	<u>539</u>	<u>-</u>
	<u>6,131</u>	<u>-</u>	<u>(2,155)</u>	<u>-</u>

(Continued)

## SIRTEC INTERNATIONAL CO., LTD.

### STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Loss Per Share)

	2022		2021	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translations of the financial statement of foreign operations	\$ 109,761	5	\$ (42,679)	(2)
Share of the other comprehensive income of associates accounted for using the equity method	<u>1,873</u>	<u>-</u>	<u>8,352</u>	<u>-</u>
	<u>111,634</u>	<u>5</u>	<u>(34,327)</u>	<u>(2)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>117,765</u>	<u>5</u>	<u>(36,482)</u>	<u>(2)</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 56,368</u>	<u>2</u>	<u>\$ (65,555)</u>	<u>(3)</u>
LOSS PER SHARE (Note 23)				
Basic	<u>\$ (0.60)</u>		<u>\$ (0.28)</u>	

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

(Concluded)

**SIRTEC INTERNATIONAL CO., LTD.**

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
(In Thousands of New Taiwan Dollars)**

	Shares Capital		Capital Surplus		Retained Earnings		Unappropriated Earnings		Other Equity		
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Loss (Gain) on Hedging Instruments	Total Equity		
BALANCE, JANUARY 1, 2021	\$ 1,030,400	\$ 360,852	\$ 897,153	\$ 296,050	\$ 2,312,141	\$ (10,890)	\$ 4,590,683				
Appropriation of 2020 earnings	-	-	-	-	(25,284)	-	-	-	-	-	-
Legal reserve	-	-	25,284	-	(9,863)	-	-	-	-	-	-
Special reserve	-	-	-	9,863	(226,688)	-	-	-	-	-	(226,688)
Cash dividends distributed by the Company	-	-	-	-	-	-	-	-	-	-	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	(1,790)	-	-	-	-	-	-	-	-	(1,790)
Net loss for the year ended December 31, 2021	-	-	-	-	(29,073)	-	-	-	-	-	(29,073)
Other comprehensive income and loss for the year ended December 31, 2021	-	-	-	-	(2,155)	(42,679)	8,352	-	-	-	(36,482)
BALANCE, DECEMBER 31, 2021	1,030,400	359,062	922,437	305,913	2,019,078	(337,702)	4,296,650				
Appropriation of 2021 earnings	-	-	-	-	(34,327)	-	-	-	-	-	-
Special reserve	-	-	-	34,327	(133,952)	-	-	-	-	-	(133,952)
Cash dividends distributed by the Company	-	-	-	-	(61,397)	-	-	-	-	-	(61,397)
Net loss for the year ended December 31, 2022	-	-	-	-	6,131	109,761	1,873	-	-	-	117,765
Other comprehensive income and loss for the year ended December 31, 2022	-	-	-	-	1,795,533	(227,941)	(665)	-	-	-	4,219,066
BALANCE, DECEMBER 31, 2022	\$ 1,030,400	\$ 359,062	\$ 922,437	\$ 340,240	\$ 1,795,533	\$ (227,941)	\$ 4,219,066				

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

# SIRTEC INTERNATIONAL CO., LTD.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before income tax	\$ (63,871)	\$ (96,954)
Adjustments for:		
Depreciation expenses (including investment properties)	42,299	49,947
Amortization expenses	1,459	3,152
Expected credit loss recognized on trade receivables	1,169	747
Loss (gain) on financial assets at fair value through profit or loss	48,332	(37,996)
Finance costs	3,314	1,117
Interest income	(5,811)	(1,814)
Share of loss of subsidiaries and associates	173,660	170,698
Net gain on disposal of property, plant and equipment	(3,152)	(133)
Impairment reversed gain on non-financial assets	(2,989)	(3,466)
Changes in operating assets and liabilities		
Notes receivable	(1,853)	(1,040)
Trade receivables	(40,054)	(94,412)
Trade receivables from related parties	1,757	8,267
Other receivables	1,430	(3,018)
Inventories	43,787	(40,220)
Other current assets	(234,043)	(686)
Trade payables	(46,205)	80,411
Trade payables from related parties	(59,559)	4,105
Other payables	1,914	9,764
Other current liabilities	21,110	4,604
Net defined benefit liabilities	(1,194)	(1,273)
Cash (used in) generated from operations	(118,500)	51,800
Interest received	3,138	2,012
Interest paid	(3,314)	(1,117)
Income tax paid	(5,942)	(51,418)
Net cash (used in) generated from operating activities	<u>(124,618)</u>	<u>1,277</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through profit or loss	-	(169,213)
Acquisition of investments accounted for using the equity method	(29,921)	(37,713)
Proceeds from capital reduction of investments accounted for using the equity method	36,000	-
Payments for property, plant and equipment	(5,251)	(6,006)
Proceeds from disposal of property, plant and equipment	3,152	133
Increase in refundable deposits	(40)	-
Payments for intangible assets	(2,783)	(480)
Increase in other financial assets	(27,373)	(128,112)
Dividend received	25,139	339,658
Net cash used in investing activities	<u>(1,077)</u>	<u>(1,733)</u>

(Continued)

## SIRTEC INTERNATIONAL CO., LTD.

### STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

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	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	\$ 37,000	\$ 223,000
Proceeds from guarantee deposits received	214,507	23,429
Repayment of the principal portion of lease liabilities	(6,055)	(6,056)
Dividends paid to owners of the Company	<u>(133,952)</u>	<u>(226,688)</u>
Net cash generated from financing activities	<u>111,500</u>	<u>13,685</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(14,195)	13,229
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>134,208</u>	<u>120,979</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 120,013</u>	<u>\$ 134,208</u>

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

(Concluded)

## Attachment 4

Sirtec International Co., Ltd.  
Earnings Distribution Table  
2022

Unit: NT\$

Item	Amount	
	Subtotal	Total
Undistributed earnings in the beginning of the period		1,850,797,962
Net loss after tax for the current year	(61,396,887)	
Remeasurements of defined benefit plans recognized in retained earnings	6,132,156	
Net loss after tax plus items other than net loss after tax		(55,264,731)
Unappropriated earnings of the year		111,634,058
Reversal of Special reserve		111,634,058
Distributable earnings		1,907,167,289
Distribution Item:		
Shareholders' dividends — cash \$1.5 per share		(154,560,000)
Undistributed earnings at the end of the period		1,752,607,289

Chairman: Wang, Tze-Chun

Manager: Wang, Tze-Chun

Chief Accounting Officer: Lin, Hsiao-Yu

## Attachment 5

# Sirtec International Co., Ltd. and Subsidiaries Comparison Table Illustrating the Original and Amended Text of the “Procedures for Financial Derivatives Transactions”

Amended Article	Original Article	Explanation
<p>Article 1: Purpose</p> <p>These Procedures are enacted for the purpose of protecting investors, fulfilling information disclosure, and enhancing the Company <u>and subsidiaries</u> to establish risk management system for derivatives trading.</p>	<p>Article 1: Purpose</p> <p>These Procedures are enacted for the purpose of protecting investors, fulfilling information disclosure, and enhancing the Company to establish risk management system for derivatives trading.</p>	Adjust wording to simplify the revision of subsidiaries.
<p>Article 4: Scope of application</p> <p>The Company <u>and subsidiaries</u> may engage in the following derivatives trading:</p> <p>I. Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.</p> <p>II. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p>	<p>Article 4: Scope of application</p> <p>The Company may engage in the following derivatives trading:</p> <p>I. Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.</p> <p>II. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p>	Adjust wording to simplify the revision of subsidiaries.
<p>Article 4-1: Hedging strategy</p> <p>In engaging in derivatives trading, the Company <u>and subsidiaries shall take hedging trades primary, supplemented by the non-hedging trades</u>, and shall choose products that focus on avoiding risks derived from the business operation. <u>Non-hedging trades should be controlled in accordance with the risk limit set by the Company in advance and the maximum loss limit established.</u> Each trading shall be carefully evaluated and <u>get the approval according to the approval authority before proceeding.</u></p>	<p>Article 4-1: Hedging strategy</p> <p>The Company shall engage in derivatives trading for hedging purpose, and shall choose products that focus on avoiding risks derived from the Company’s business operation. Each trading shall be carefully evaluated and get the approval of the Chairman before proceeding.</p> <p>The Company shall not engage in derivatives trading for trading purposes.</p>	Adjust wording to simplify the revision of subsidiaries.
<p>Article 5: Authorization limit <u>and level</u></p> <p>I. The Company engages in derivatives trading based on the principle of natural hedging. The Company shall set the authorization limit based on its demand for each currency and the net position of each currency ( i.e., the difference between foreign currency assets and liability), and refer to the estimated cash flow as risk avoidance amount.</p> <p>II. The total amount of derivative contracts for hedging purpose shall not exceed 50% of the Company’s operating income in the prior year, and shall be executed after the approval <u>according to the approval authority</u></p> <p><u>III. The total amount of derivative contracts for non-hedging purpose shall not exceed 20% of the Company’s operating income in the prior year,</u></p>	<p>Article 5: Authorization limit</p> <p>I. The Company engages in derivatives trading based on the principle of natural hedging. The Company shall set the authorization limit based on its demand for each currency and the net position of each currency ( i.e., the difference between foreign currency assets and liability), and refer to the estimated cash flow as risk avoidance amount.</p> <p>II. The total amount of derivative contracts for hedging purpose shall not exceed 50% of the Company’s operating income in the prior year, and shall be executed after the approval of the Chairman.</p>	<p>1. Adjust wording to simplify the revision of subsidiaries.</p> <p>2. Add the amount for non-hedging purpose derivatives trading and the approval authority table.</p>

Amended Article	Original Article	Explanation
<p><u>and shall be executed after the approval according to the approval authority</u>  <u>IV. Derivatives trading approval authority table: Attachment Table 1.</u></p>		
<p>Article 6: The maximum trading amount  I. <u>When engaging in derivatives trading for hedging purpose (purposes other than trading), the amount of an individual derivative contract shall not exceed 25% of the operating income in the prior year, and the total amount of the effective derivative contracts shall not exceed 50% of the operating income in the prior year.</u>  II. <u>When engaging in derivatives trading for non-hedging purpose (trading purpose), the amount of an individual derivative contract shall not exceed 10% of the operating income in the prior year, and the total amount of the effective derivative contracts shall not exceed 20% of the operating income in the prior year.</u>  III. <u>When subsidiaries with no operating income engage in derivatives trading for hedging and non-hedging purposes( trading purpose and purposes other than trading), the amount of an individual derivative contract shall not exceed 10% of parent company’s operating income in the prior year, and the total amount of the effective derivative contracts shall not exceed 20% of the operating income in the prior year.</u></p>	<p>Article 6: The maximum trading amount  Since the Company engages in derivatives trading for hedging purpose (purposes other than trading), the amount of an individual derivative contract shall not exceed 25% of the Company’s operating income in the prior year, and the total amount of the effective derivative contracts shall not exceed 50% of the Company’s operating income in the prior year.</p>	<ol style="list-style-type: none"> <li>1. Adjust wording to simplify the revision of subsidiaries.</li> <li>2. Add the maximum trading amount for non-hedging purpose of the Company and subsidiaries.</li> </ol>
<p>Article 7: Segregation of authorities and duties when the Company <u>and subsidiaries</u> engage in derivatives trading.  I. <u>Finance Department: Set up personnel in charge of derivatives trading, confirmation and settlement. Trading personnel proceed derivatives trading. Confirmation personnel confirm the transaction contracts with counterparties. Settlement personnel arrange the delivery and settlement operations in accordance with the transaction contracts.</u>  II. <u>Accounting Department: The accounting department shall deal with the accounting treatment based on the transaction receipts and various statements presented by the trading departments, and conduct monthly valuation.</u></p>	<p>Article 7: Duties of the manager in charge of derivatives trading:  I. Design the format of management report and control the overall limits of the Company to the authorization of the Chairman.  II. Design the risk assessment model and performance evaluation model.  III. Approve the appointment and dismissal of the trading personnel. Control the trading department and the authorized limit of each trading personnel.  The title and personnel appointment and dismissal of the manager referred to from the preceding paragraph shall be submitted by the General Manager and be approved by the Chairman.  Article 8: Duties of trading personnel in the trading department:  I. Map out the strategy for trading within the authorized limit and trade directly with counterparties.  II. Provide dealing slips and documents timely.  The organization, titles and personnel appointment and dismissal of the trading personnel referred to from the preceding paragraph are defined by managers referred to in Article 7.  Article 9: Duties of back-end personnel:  I. Sign agreements, open accounts and review with counterparties.</p>	<ol style="list-style-type: none"> <li>1. Adjust wording to simplify the revision of subsidiaries.</li> <li>2. Add segregation of authorities and duties for derivatives trading.</li> <li>3. Delete Articles 8 and 9.</li> </ol>

Amended Article	Original Article	Explanation
	<p>II. Review the dealing slips and all related statements and reports presented by the trading department.</p> <p>III. Delivery and settlement operations related to trading.</p> <p>The organization, titles and personnel appointment and dismissal of the back-end personnel referred to from the preceding paragraph are defined by managers referred to in Article 7.</p>	
<p><u>Article 8:</u> Items to be announced and reported The Company <u>and subsidiaries</u> shall compile monthly reports on the status of derivatives trading (including for trading purpose and non-trading purpose) engaged in up to the end of the preceding month and enter the information in the prescribed format into the information reporting website designated by the Securities and Futures Bureau of the Financial Supervisory Commission by the 10th day of each month.</p> <p>Subsidiaries of the Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month and submit the information in the prescribed format to the Company by the 10th day of each month. The Company shall announce and report the information by the 10th day of each month.</p>	<p>Article 10: Items to be announced and reported The Company shall compile monthly reports on the status of derivatives trading (including for trading purposes and non-trading purposes) engaged in up to the end of the preceding month and enter the information in the prescribed format into the information reporting website designated by the Securities and Futures Bureau of the Financial Supervisory Commission by the 10th day of each month.</p> <p>Subsidiaries of the Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month and submit the information in the prescribed format to the Company by the 10th day of each month. The Company shall announce and report the information by the 10th day of each month.</p>	<ol style="list-style-type: none"> <li>1. Adjust wording to simplify the revision of subsidiaries.</li> <li>2. Adjust Article numbers.</li> </ol>
<p><u>Article 9:</u> Disclosure in the financial report The accounting treatments regarding the derivatives trading of the Company <u>and subsidiaries</u> are in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by the Financial Supervisory Commission, the Business Entity Accounting Act, the Regulations on Business Entity Accounting Handling, and Generally Accepted Accounting Principles. The Company shall disclose the derivatives trading in regular financial reports (including annual, semiannual, quarterly, and consolidated financial reports.)</p>	<p>Article 11: Disclosure in the financial report The accounting treatments regarding the derivatives trading of the Company are in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by the Financial Supervisory Commission, the Business Entity Accounting Act, the Regulations on Business Entity Accounting Handling, and Generally Accepted Accounting Principles. The Company shall disclose the derivatives trading in regular financial reports (including annual, semiannual, quarterly, and consolidated financial reports.)</p>	<ol style="list-style-type: none"> <li>1. Adjust wording to simplify the revision of subsidiaries.</li> <li>2. Adjust Article numbers.</li> </ol>
<p><u>Article 10:</u> Personnel regulations: Personnel of the Company <u>and subsidiaries</u> engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.</p> <p>Risk measurement, monitoring, and control personnel shall be assigned to personnel of different departments from the preceding paragraph, and shall report to the Board of Directors or senior management personnel with having no responsibilities in trading or decision-making positions.</p>	<p>Article 12: Personnel regulations Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.</p> <p>Risk measurement, monitoring, and control personnel shall be assigned to personnel of different departments from the preceding paragraph, and shall report to the Board of Directors or senior management personnel with having no responsibilities in trading or decision-making positions.</p>	<ol style="list-style-type: none"> <li>1. Adjust wording to simplify the revision of subsidiaries.</li> <li>2. Adjust Article numbers.</li> </ol>

Amended Article	Original Article	Explanation
Article 11: No amendment.	Article 13: No amendment. Article 14: Accounting department The accounting department shall create statistics which demonstrate the Company's derivatives trading details, nominal amount of trading positions, realized and unrealized profit/loss on a regular basis in accordance with the transaction receipts and various statements presented by the trading departments, and compile summary tables to be submitted for review.	1. Adjust Article numbers. 2. Delete Article 14.
<u>Article 12: Closing positions</u> <u>When doing the monthly evaluation, the loss for contract shall not exceed 20% of the amount of the individual contract. Once the loss for an individual contract or total loss amount under all contracts exceed the loss stop point, the investment or operation personnel shall immediately propose a special project report.</u> The Company shall announce relevant information on the information reporting website designated by the Securities and Futures Bureau of the Financial Supervisory Commission within two days counting inclusively from the date of occurrence of the event.	Article 15: Closing positions The Company engages in derivatives trading mainly for hedging purposes (purposes other than trading.) If the loss amount of an individual contract exceeds NT\$5 million, or the total loss amount of all effective contracts exceeds NT\$10 million, the positions must be closed immediately within two trading days and a special project report shall be submitted. The Company shall announce relevant information on the information reporting website designated by the Securities and Futures Bureau of the Financial Supervisory Commission within two days counting inclusively from the date of occurrence of the event.	1. Adjust wording to simplify the revision of subsidiaries. 2. Adjust Article numbers. 3. Add the limit of contract loss.
<u>Article 13: Trading risk management measures</u> The scope and measures of risk management shall include the following items: Credit Risk Management: Transactions shall be conducted with well-rated financial institutions. Market Price Risk Management: Transactions shall be conducted primarily in public transaction markets provided by banks. Liquidity Risk Management: The Company shall engage in derivatives trading with higher liquidity (such as forward exchange). The financial institution which the Company engages shall possess sufficient information and have the capability to conduct transactions in relevant markets at any time. Cash Flow Risk Management: In order to ensure the stability of the Company's working capital turnover, the Company shall maintain adequate level of quick assets and credit facilities to meet the cash settlement requirement. V. Operation Risk Management: (I) In order to avoid operation risks, the Company shall fully comply with its authorized amount and operation procedures and shall include the matters regarding derivatives trading into internal audit. (II) The personnel responsible for measuring, monitoring and controlling risks shall report to the senior management personnel authorized by the Board of Directors on a monthly basis. <u>(III) Derivatives trading positions held shall be evaluated at least once a week; however, positions for hedging transactions made for business purposes shall be evaluated at least</u>	Article 16: Trading risk management measures The scope and measures of risk management shall include the following items: Credit Risk Management: Transactions shall be conducted with well-rated financial institutions. Market Price Risk Management: Transactions shall be conducted primarily in public transaction markets provided by banks. Liquidity Risk Management: The Company shall engage in derivatives trading with higher liquidity (such as forward exchange). The financial institution which the Company engages shall possess sufficient information and have the capability to conduct transactions in relevant markets at any time. Cash Flow Risk Management: In order to ensure the stability of the Company's working capital turnover, the Company shall engage in derivatives trading with its own capital and shall take future capital demand for revenues and expenses into consideration. V. Operation Risk Management: (I) In order to avoid operation risks, the Company shall fully comply with its authorized amount and operation procedures and shall include the matters regarding derivatives trading into internal audit. (II) The personnel responsible for measuring, monitoring and controlling risks shall report to the senior management personnel authorized by the Board of Directors on a monthly basis. VI. Legal Risk Management: Documents with banks shall not be formally signed until they have been reviewed by legal personnel. Hedging transactions made for business purposes	Adjust Article numbers and wording.

Amended Article	Original Article	Explanation
<p><u>twice a month. Evaluation reports shall be submitted to senior management personnel authorized by the Board of Directors to evaluate whether the loss has exceeded the loss limit regulated in Article 12 and need to make a reversal transaction in advance.</u></p> <p>VI. Legal Risk Management: <u>To prevent legal risks, documents shall not be formally signed with counterparties until they have been inspected by internal legal personnel or legal consulting experts.</u></p>	<p>shall be evaluated at least twice a month; evaluation reports shall be submitted to senior management personnel authorized by the Board of Directors to evaluate whether the loss has exceeded the loss limit regulated in Article 15 and need to make a reversal transaction in advance.</p>	
<p><u>Article 14:</u> Supervision and management Board of Directors shall faithfully supervise and manage derivatives trading in accordance with the following principles:</p> <p>I. Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.</p> <p>II. Periodically evaluate and discuss whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.</p> <p>Senior management personnel authorized by the Board of Directors shall manage derivatives trading in accordance with the following principles:</p> <p>I. Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Regulations and the procedures for engaging in derivatives trading formulated by the company.</p> <p>II. In the course of supervising trading and profit-loss circumstances, when irregular circumstances are found or the holding position exceeds the loss limit regulated in <u>Article 12</u>, appropriate measures shall be adopted and a report immediately made to the Board of Directors; where a company has Independent Directors, an Independent Director shall be present at the meeting and express an opinion.</p> <p>The Company shall report to the next Board of Directors meeting after it authorizes relevant personnel to handle derivatives trading in accordance with the Procedures.</p>	<p>Article 17: Supervision and management Board of Directors shall faithfully supervise and manage derivatives trading in accordance with the following principles:</p> <p>I. Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.</p> <p>II. Periodically evaluate and discuss whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.</p> <p>Senior management personnel authorized by the Board of Directors shall manage derivatives trading in accordance with the following principles:</p> <p>I. Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Regulations and the procedures for engaging in derivatives trading formulated by the company.</p> <p>II. In the course of supervising trading and profit-loss circumstances, when irregular circumstances are found or the holding position exceeds the loss limit regulated in Article 15, appropriate measures shall be adopted and a report immediately made to the Board of Directors; where a company has Independent Directors, an Independent Director shall be present at the meeting and express an opinion.</p> <p>The Company shall report to the next Board of Directors meeting after it authorizes relevant personnel to handle derivatives trading in accordance with the Procedures.</p>	<p>Adjust Article numbers and wording.</p>
<p><u>Article 15:</u> Purpose of internal audit The Company <u>and subsidiaries</u> conduct internal audits on derivatives trading in order to assist the unit heads to comprehend if their subordinates, while handling businesses and verifying operations, comply with the laws and regulations and the company's internal regulations so as to provide timely suggestions for improvement and enhance management performance.</p>	<p>Article 18: Purpose of internal audit The Company conducts internal audits on derivatives trading in order to assist the unit heads to comprehend if their subordinates, while handling business and verifying operations, comply with the laws and regulations and the Company's internal regulations so as to provide timely suggestions for improvement and enhance management performance.</p>	<p>1. Adjust wording to simplify the revision of subsidiaries. 2. Adjust Article numbers.</p>
<p><u>Articles 16~18: no amendment.</u></p>	<p><u>Articles 19~21: no amendment.</u></p>	<p>Adjust Article numbers.</p>

Amended Article	Original Article	Explanation
<u>Article 19</u> : The Company <u>and subsidiaries</u> engage in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval dates, and the matters required to be carefully evaluated under <u>Articles 13 and 14</u> shall be recorded in detail in the log book.	Article 22: The Company engages in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval dates, and the matters required to be carefully evaluated under Articles 16 and 17 shall be recorded in detail in the log book.	1. Adjust wording to simplify the revision of subsidiaries. 2. Adjust Article numbers.
<u>Article 20: no amendment.</u>	<u>Article 23: no amendment.</u>	Adjust Article numbers.
<u>Article 21</u> : The first version of these Procedures were resolved on April 1, 1999. The first amendment was made on April 2, 2001. The second amendment was made on March 14, 2003. The third amendment was made on March 10, 2005. The fourth amendment was made on May 12, 2010. The fifth amendment was made on June 15, 2011. The sixth amendment was made on June 12, 2012. The seventh amendment was made on June 17, 2014. The eighth amendment was made on June 25, 2015. The ninth amendment was made on June 18, 2019. <u>The tenth amendment was made on XX XX, XXXX.</u> <u>(To be filled in after the resolution of the shareholders' regular meeting.)</u>	Article 24: The first version of these Procedures were resolved on April 1, 1999. The first amendment was made on April 2, 2001. The second amendment was made on March 14, 2003. The third amendment was made on March 10, 2005. The fourth amendment was made on May 12, 2010. The fifth amendment was made on June 15, 2011. The sixth amendment was made on June 12, 2012. The seventh amendment was made on June 17, 2014. The eighth amendment was made on June 25, 2015. The ninth amendment was made on June 18, 2019.	Add amendment date.

Table 1

IV. Derivatives trading approval authority table:

(I) Trading for hedging purpose

Level	Authorization limit for each trading	Net cumulative trading volume
Board of Directors	Above USD 3 million	Above USD 30 million
Chairman	USD 1 million ~ 3 million	USD 10 million ~ 30 million
General Manager	Under USD 1 million	Under USD 10 million

(II) Trading for non-hedging purpose

Level	Authorization limit for each trading	Net cumulative trading volume
Board of Directors	Above USD 1 million	Above USD 10 million
Chairman	USD 500 thousand ~ 1 million	USD 5 million ~ 10 million
General Manager	Under USD 500 thousand	Under USD 5 million

Major derivatives trading shall be approved by the Audit Committee and the Board of Directors.

## Attachment 6

### Sirtec International Co., Ltd. and Subsidiaries Comparison Table Illustrating the Original and Amended Text of the “Procedures Governing the Acquisition or Disposition of Assets”

Amended Article	Original Article	Explanation
Sirtec International Co., Ltd. and Subsidiaries	Sirtec International Co., Ltd.	Amendment on the company name.
<p>Article 1: Basis</p> <p>Except for otherwise governed by the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” issued by the Financial Supervisory Commission R.O.C. (hereinafter “the FSC”) and other laws and regulations, the acquisition or disposition of assets of the Company <u>and subsidiaries</u> shall follow these procedures.</p>	<p>Article 1: Basis</p> <p>Except for otherwise governed by the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” issued by the Financial Supervisory Commission R.O.C. (hereinafter “the FSC”) and other laws and regulations, the acquisition or disposition of assets of the Company shall follow these procedures.</p>	Consolidate the “Procedures Governing the Acquisition or Disposition of Assets” from Sirtec International Co., Ltd. and its subsidiaries. All the subsidiaries of the Group shall follow the “Procedures Governing the Acquisition or Disposition of Assets” of Sirtec International Co., Ltd.
<p>Article 3: Definitions of Relevant Terms</p> <p>I. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p> <p>II. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.</p> <p>III. Related party, <u>Sirtec International Co., Ltd.</u>, subsidiary, <u>and affiliated company</u>: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p> <p>IV. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.</p> <p>V. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of</p>	<p>Article 3: Definitions of Relevant Terms</p> <p>I. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.</p> <p>II. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.</p> <p>III. Related party and subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p> <p>IV. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.</p> <p>V. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of Boards of Directors resolutions, or</p>	

<p>transfer, dates of Boards of Directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.</p> <p>VI. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.</p> <p>VII. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.</p> <p>VIII. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.</p> <p>IX. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.</p> <p>X. The term "most recent financial statements" refers to financial statements audited, certified or reviewed by a certified public accountant in accordance with the law prior to acquisition or disposal of assets.</p>	<p>other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.</p> <p>VI. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.</p> <p>VII. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.</p> <p>VIII. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.</p> <p>IX. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.</p> <p>X. The term "most recent financial statements" refers to financial statements audited, certified or reviewed by a certified public accountant in accordance with the law prior to acquisition or disposal of assets.</p>	
<p>Article 4: Procedures governing the acquisition or disposition of securities. The acquisition or disposition of securities shall be signed according to the approval authority table. Provided that a single transaction of the acquisition or disposition of securities is greater than NT\$30 million, the executing department shall submit an evaluation report.</p>	<p>Article 4: Procedures governing the acquisition or disposition of securities. The acquisition or disposition of securities shall be signed according to the approval authority table (see the attachment) of the Company. Provided that a single transaction of the acquisition or disposition of securities is greater than NT\$30 million, the executing department shall submit an evaluation report. <del>Total amounts of securities acquired by the Company shall be handled in compliance with related articles of the Company's Articles of Incorporation. Total amounts of investments of the subsidiary shall be handled in compliance with the subsidiary's Articles of Incorporation.</del></p>	<p>Consolidate the "Procedures Governing the Acquisition or Disposition of Assets" from Sirtec International Co., Ltd. and its subsidiaries. All the subsidiaries of the Group shall follow the "Procedures Governing the Acquisition or</p>

<p>Article 5: Procedures governing the acquisition or disposition of real property, equipment, or right-of-use assets</p> <p>The acquisition or disposition of real property, equipment, or right-of-use assets thereof shall be submitted by the department with actual demand or the original using department and states the reasons. The acquisition or disposition request shall be executed after finishing the price inquiry, comparison and negotiation process and countersigning by relevant departments, based on the approval authority table.</p> <p>Major asset transactions with amount greater than NT\$30 million shall be approved by the Audit Committee and the Board of Directors. Except for acquiring assets for business use by the Company and its subsidiaries, the acquisition of real property for non-business use by the Company shall not exceed 40 percent of <u>Sirtec International Co., Ltd.’s</u> net worth. The acquisition of real property for non-business use by each of the Company’s subsidiary shall not exceed 40 percent of <u>Sirtec International Co., Ltd.’s</u> net worth. Total amounts of the acquisition of real property for non-business use by the Company and its subsidiaries shall not exceed 50 percent of <u>Sirtec International Co., Ltd.’s</u> net worth.</p> <p>The execution departments: Real property department, fixed assets using departments, management departments, and other responsible departments.</p>	<p>Article 5: Procedures governing the acquisition or disposition of real property, equipment, or right-of-use assets.</p> <p>The acquisition or disposition of real property, equipment, or right-of-use assets thereof of <del>the Company</del> shall be submitted by the department with actual demand or the original using department and states the reasons. The acquisition or disposition request shall be executed after finishing the price inquiry, comparison and negotiation process and countersigning by relevant departments, based on the approval authority table. Major asset transactions with amount greater than NT\$30 million shall be approved by the Audit Committee and the Board of Directors. Except for acquiring assets for business use by the Company and its subsidiaries, the acquisition of real property for non-business use by the Company shall not exceed 40 percent of the Company’s net worth. The acquisition of real property for non-business use by each of <u>the Company</u>’s subsidiary shall not exceed 40 percent of the Company’s net worth. Total amounts of the acquisition of real property for non-business use by <u>the Company</u> and its subsidiaries shall not exceed 50 percent of the Company’s net worth.</p> <p>The execution departments: Real property department, fixed assets using departments, management departments, and other responsible departments.</p>	<p>Disposition of Assets” of Sirtec International Co., Ltd.</p>
<p>Article 5-1:</p> <p>With respect to the Company's <u>and subsidiaries</u>’ acquisition or disposal of assets that is subject to the approval of the Audit Committee and the Board of Directors under the Company's procedures or other laws or regulations, if a Director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the Director's dissenting opinion to the Audit Committee.</p> <p>Where the position of Independent Director has been created, when a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p>Any transaction involving major assets or derivatives shall be approved by one-half or more of all Audit Committee members and submitted to the Board of Directors for a resolution, and shall be subject to mutatis mutandis application of <u>Article 14</u>, paragraphs 3 and 4.</p>	<p>Article 5-1:</p> <p>With respect to the Company's acquisition or disposal of assets that is subject to the approval of the Audit Committee and the Board of Directors under the Company's procedures or other laws or regulations, if a Director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the Director's dissenting opinion to the Audit Committee.</p> <p>Where the position of Independent Director has been created, when a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p>Any transaction involving major assets or derivatives shall be approved by one-half or more of all Audit Committee members and submitted to the Board of Directors for a resolution, and shall be subject to mutatis mutandis application of <u>Article 15</u>, paragraphs 3 and 4.</p>	<p>Consolidate the “Procedures Governing the Acquisition or Disposition of Assets” from Sirtec International Co., Ltd. and its subsidiaries. All the subsidiaries of the Group shall follow the “Procedures Governing the Acquisition or Disposition of Assets” of Sirtec International Co., Ltd.</p>

<p><u>Article 6: Evaluation Procedure for the Company and subsidiaries.</u></p> <p>I. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of <u>Sirtec International Co., Ltd.</u>'s paid-in capital or NT\$300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(I) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Audit Committee, and then be submitted for approval by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(II) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>(III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> <li>1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</li> <li>2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</li> </ol> <p>(IV) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date. Provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>II. The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the <u>Sirtec International Co., Ltd.</u>'s paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to</p>	<p>Article 6: Evaluation Procedure</p> <p>I. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of <del>the Company's</del> paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(I) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Audit Committee, and then be submitted for approval by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(II) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>(III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> <li>1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</li> <li>2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</li> </ol> <p>(IV) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date. Provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>II. <del>The Company</del> acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active</p>	
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<p>publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the FSC.</p> <p>III. Where the company acquires or disposes of memberships, intangible assets or right-of-use assets thereof and the transaction amount reaches 20 percent or more of <u>Sirtec International Co., Ltd.</u>'s paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p> <p>IV. When acquiring or disposing of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p> <p>V. The calculation of the transaction amounts in this Article shall be done in accordance with Article 7, paragraph 2, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p>VI. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>(I) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(II) May not be a related party or de facto related party of any party to the transaction.</p> <p>(III) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:</p> <p>(I) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(II) When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data</p>	<p>market, or where otherwise provided by regulations of the FSC.</p> <p>III. Where <del>the Company</del> acquires or disposes of memberships, intangible assets or right-of-use assets thereof and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p> <p>IV. Where <del>the Company</del> acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p> <p>V. The calculation of the transaction amounts in this Article shall be done in accordance with Article 7, paragraph 2, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p>VI. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide <del>the Company</del> with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>(I) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(II) May not be a related party or de facto related party of any party to the transaction.</p> <p>(III) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:</p> <p>(I) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(II) When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data</p>	
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<p>collected, and conclusion shall be fully and accurately specified in the case working papers.  (III) They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.  (IV) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.</p>	<p>collected, and conclusion shall be fully and accurately specified in the case working papers.  (III) They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.  (IV) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.</p>	
<p>Article 7: Time limit for public announcement and reporting  I. Under any of the following circumstances, a company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:  (I) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of <u>Sirtec International Co., Ltd.'s</u> paid-in capital, 10 percent or more of total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.  (II) Merger, demerger, acquisition, or transfer of shares.  (III) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.  (IV) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million. (For a public company whose paid-in capital is less than NT\$10 billion.)  (V) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.  (VI) Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint</p>	<p>Article 7: Time limit for public announcement and reporting  I. Under any of the following circumstances, <del>the Company</del> acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:  (I) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches <u>20</u> percent or more of <u>the Company's</u> paid-in capital, 10 percent or more of total assets, or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.  (II) Merger, demerger, acquisition, or transfer of shares.  (III) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.  (IV) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million. (For a public company whose paid-in capital is less than NT\$10 billion.)  (V) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.  (VI) Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint</p>	<p>Consolidate the "Procedures Governing the Acquisition or Disposition of Assets" from Sirtec International Co., Ltd. and its subsidiaries. All the subsidiaries of the Group shall follow the "Procedures Governing the Acquisition or Disposition of Assets" of Sirtec International Co., Ltd.</p>

<p>construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>(VII) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of <u>Sirtec International Co., Ltd.</u>'s paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> <li>1. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</li> <li>2. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</li> <li>3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</li> </ol> <p>(No amendment has been made to paragraph 2, omitted)</p> <p>III. Announcement and declaration of subsidiaries: Information required to be publicly announced and reported in accordance with the provisions of Article 7 on acquisitions and disposals of assets by the subsidiary that is not itself a public company in Taiwan shall be reported by <u>Sirtec International Co., Ltd.</u></p> <p>The paid-in capital or total assets of <u>Sirtec International Co., Ltd.</u> shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing under paragraph 1.</p> <p>IV. When the company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p> <p>V. The company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and</p>	<p>construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>(VII) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of <u>the Company's</u> paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> <li>1. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</li> <li>2. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</li> <li>3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</li> </ol> <p>(No amendment has been made to paragraph 2, omitted)</p> <p>III. Announcement and declaration of subsidiaries: Information required to be publicly announced and reported in accordance with the provisions of Article 7 on acquisitions and disposals of assets by the Company's subsidiary that is not itself a public company in Taiwan shall be reported by <u>the Company.</u></p> <p>The paid-in capital or total assets of <u>the Company</u> shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing under paragraph 1.</p> <p>IV. When <del>the Company</del> at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p> <p>V. <del>The Company</del> acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and</p>	
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<p>securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.</p> <p>VI. Where any of the following circumstances occurs with respect to a transaction that <u>Sirtec International Co., Ltd.</u> has already publicly announced and reported in accordance with the paragraphs 1 and 3, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(I) Change, termination, or rescission of a contract signed in regard to the original transaction.</p> <p>(II) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.</p> <p>(III) Change to the originally publicly announced and reported information.</p> <p>(No amendment has been made to paragraph 7, omitted)</p>	<p>securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.</p> <p>VI. Where any of the following circumstances occurs with respect to a transaction that <del>the Company</del> has already publicly announced and reported in accordance with the paragraphs 1 and 3, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(I) Change, termination, or rescission of a contract signed in regard to the original transaction.</p> <p>(II) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.</p> <p>(III) Change to the originally publicly announced and reported information.</p> <p>(No amendment has been made to paragraph 7, omitted)</p>	
<p>Article 8: Related Party Transactions</p> <p>I. When the Company <u>and subsidiaries</u> engage in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised in compliance with the provisions of Article 7 and this Article, if the transaction amount reaches 10 percent or more of <u>Sirtec International Co., Ltd.'s</u> total assets, the Company <u>and subsidiaries</u> shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with Article 6. The calculation of the transaction amounts shall be done in accordance with Article 7, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>II. When the Company <u>and subsidiaries</u> intend to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when they intend to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of <u>Sirtec International Co., Ltd.'s</u> paid-in capital, 10 percent or more of <u>Sirtec International Co., Ltd.'s</u> total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company <u>and subsidiaries</u> may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and the Board of</p>	<p>Article 8: Related Party Transactions</p> <p>I. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised in compliance with the provisions of Article 7 and this Article, if the transaction amount reaches 10 percent or more of the Company's total assets, <u>the Company</u> shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with Article 6. The calculation of the transaction amounts shall be done in accordance with Article 7, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.</p> <p>II. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of the Company's paid-in capital, 10 percent or more of <u>the Company's</u> total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and the Board of Directors:</p> <p>(I) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</p>	<p>Consolidate the "Procedures Governing the Acquisition or Disposition of Assets" from Sirtec International Co., Ltd. and its subsidiaries. All the subsidiaries of the Group shall follow the "Procedures Governing the Acquisition or Disposition of Assets" of Sirtec International Co., Ltd.</p>

<p>Directors:</p> <p>(I) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</p> <p>(II) The reason for choosing the related party as a transaction counterparty.</p> <p>(III) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with paragraphs 4 and 5.</p> <p>(IV) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.</p> <p>(V) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with this Article paragraph 1.</p> <p>(VII) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>III. When the acquisition or disposal of equipment or right-of-use assets thereof held for business use is conducted between <u>Sirtec International Co., Ltd.</u> and subsidiaries, or between subsidiaries in which <u>Sirtec International Co., Ltd.</u> directly or indirectly holds 100 percent of the issued shares or authorized capital, the company shall follow the approval authority table. The Company's Board of Directors may delegate the Board Chairman to decide such matters when the transaction amount is between NT\$ 30 million and NT\$ 40 million and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting. Where the position of Independent Director has been created, when a matter is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting. If <u>Sirtec International Co., Ltd.</u> or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 2 and the transaction amount will reach 10 percent or more of <u>Sirtec International Co., Ltd.</u>'s total assets, <u>Sirtec International Co., Ltd.</u> shall submit the materials in all the subparagraphs of paragraph 2 to the shareholders' meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between <u>Sirtec International Co., Ltd.</u> and its subsidiaries or between its subsidiaries. The calculation of the transaction amounts in paragraph 2 and paragraph 3 shall be made in accordance with Article 7, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the</p>	<p>(II) The reason for choosing the related party as a transaction counterparty.</p> <p>(III) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with paragraphs 4 and 5.</p> <p>(IV) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to <del>the</del> Company and the related party.</p> <p>(V) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>(VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with this Article paragraph 1.</p> <p>(VII) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>III. When the acquisition or disposal of equipment or right-of-use assets thereof held for business use is conducted between <u>the Company</u> and subsidiaries, or between subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company shall follow the approval authority table. The Company's Board of Directors may delegate the Board Chairman to decide such matters when the transaction amount is between NT\$ 30 million and NT\$ 40 million and have the decisions subsequently submitted to and <u>ratified</u> by the next Board of Directors meeting. Where the position of Independent Director has been created, when a matter is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting. If <u>the Company</u> or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 2 and the transaction amount will reach 10 percent or more of the Company's total assets, <u>the Company</u> shall submit the materials in all the subparagraphs of paragraph 2 to the shareholders' meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between <u>the Company</u> and its subsidiaries or between its subsidiaries. The calculation of the transaction amounts in paragraph 2 and paragraph 3 shall be made in accordance with Article 7, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholders' meeting, the Audit Committee, and the Board of Directors need not be counted toward the transaction amount.</p> <p>IV. <del>The Company</del> acquires real property or right-</p>	
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<p>current transaction. Items that have been approved by the shareholders' meeting, the Audit Committee, and the Board of Directors need not be counted toward the transaction amount.</p> <p>IV. Acquiring real property or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:</p> <p>(I) Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.</p> <p>(II) Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties. Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph. The company acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the paragraph shall also engage a certified public accountant to check the appraisal and render a specific opinion. Where acquiring real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with this Article paragraphs 2 and 3, and the preceding three subparagraphs of this paragraph do not apply:</p> <p>(I) The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.</p> <p>(II) More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.</p> <p>(III) The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.</p> <p>(IV) The real property right-of-use assets for business use are acquired by <u>Sirtec International Co., Ltd.</u> with its subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</p> <p>V. When the results of the appraisal conducted in</p>	<p>of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:</p> <p>(I) Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.</p> <p>(II) Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties. Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.</p> <p><del>The Company</del> acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the paragraph shall also engage a certified public accountant to check the appraisal and render a specific opinion. Where <del>the Company</del> acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with this Article paragraphs 2 and 3, and the preceding three subparagraphs of this paragraph do not apply:</p> <p>(I) The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.</p> <p>(II) More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.</p> <p>(III) The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.</p> <p>(IV) The real property right-of-use assets for business use are acquired by <u>the Company</u> with its subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.</p> <p>V. When the results of <del>the Company's</del> appraisal conducted in accordance with paragraph 4 and this paragraph are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>(I) A special reserve shall be set aside in accordance with the regulations against the</p>	
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<p>accordance with paragraph 4 and this paragraph are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>(I) A special reserve shall be set aside in accordance with the regulations against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in the company, then the special reserve shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the company.</p> <p>(II) Actions taken pursuant to the preceding subparagraph shall be reported to a shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p> <p>A company has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.</p> <p>VI. When a company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arms length transaction. Where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:</p> <p>(I) Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:</p> <ol style="list-style-type: none"> <li>1. Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.</li> <li>2. Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring properties or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market</li> </ol>	<p>difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in the Company, then the special reserve shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the Company.</p> <p>(II) Actions taken pursuant to the preceding subparagraph shall be reported to a shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p> <p>The Company has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.</p> <p>VI. When the Company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arms length transaction. Where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply to the Company:</p> <p>(I) Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:</p> <ol style="list-style-type: none"> <li>1. Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.</li> <li>2. Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring properties or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.</li> </ol> <p>(II) Where the Company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that</p>	
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<p>sale or leasing practices.</p> <p>(II) When acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.</p> <p>Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.</p>	<p>the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.</p> <p>Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.</p>	
<p>Article 9: Mergers, Demergers, Acquisitions, and Assignment of Shares</p> <p>I. The company conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the Board of Directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the Audit Committee and Board of Directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.</p> <p>II. A company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders' meeting and include it along with the expert opinion referred to in the preceding paragraph when sending shareholders notification of the shareholders' meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts the Company from convening a shareholders' meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.</p> <p>Where the shareholders' meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders' meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the</p>	<p>Article 9: Mergers, Demergers, Acquisitions, and Assignment of Shares</p> <p>I. <del>The Company</del> conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the Board of Directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the Audit Committee and Board of Directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by <del>the</del> Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.</p> <p>II. <del>The Company</del> shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders' meeting and include it along with the expert opinion referred to in the preceding paragraph when sending shareholders notification of the shareholders' meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts the Company from convening a shareholders' meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.</p> <p>Where the shareholders' meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders' meeting, the companies participating in the merger, demerger or acquisition shall</p>	<p>Consolidate the "Procedures Governing the Acquisition or Disposition of Assets" from Sirtec International Co., Ltd. and its subsidiaries. All the subsidiaries of the Group shall follow the "Procedures Governing the Acquisition or Disposition of Assets" of Sirtec International Co., Ltd.</p>

<p>follow-up measures, and the preliminary date of the next shareholders' meeting.</p> <p>III. The company participates in a merger, demerger, or acquisition shall convene a Board of Directors meeting and shareholders' meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified by <u>Sirtec International Co., Ltd.</u> in advance of extraordinary circumstances and grants consent. The company participates in a transfer of shares shall call a Board of Directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:</p> <p>(I) Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.</p> <p>(II) Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a Board of Directors meeting.</p> <p>(III) Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings.</p> <p>When <u>Sirtec International Co., Ltd. and subsidiaries</u> participate in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in the preceding subparagraph to the FSC for recordation. Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of paragraph 3 and paragraph 4.</p> <p>IV. Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the</p>	<p>immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders' meeting.</p> <p>III. <del>The Company</del> participates in a merger, demerger, or acquisition shall convene a Board of Directors meeting and shareholders' meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. <del>The Company</del> participates in a transfer of shares shall call a Board of Directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. When participating in a merger, demerger, acquisition, or transfer of another company's shares, <del>the Company</del> that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:</p> <p>(I) Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.</p> <p>(II) Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a Board of Directors meeting.</p> <p>(III) Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings.</p> <p>When <u>the Company</u> participates in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in the preceding subparagraph to the FSC for recordation. Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of paragraph 3 and paragraph 4.</p> <p>IV. Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name</p>	
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<p>information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.</p> <p>V. The company participates in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:</p> <p>(I) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.</p> <p>(II) An action, such as a disposal of major assets, that affects the Company's financial operations.</p> <p>(III) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.</p> <p>(IV) An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.</p> <p>(V) An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.</p> <p>(VI) Other terms or conditions that the contract stipulates may be altered and that have been publicly disclosed.</p> <p>VI. The contract for participation by a Company in a merger, demerger, acquisition, or of shares shall be in accordance with Article 317-1 of the Company Act and Article 22 of the Business Mergers and Acquisitions Act, and shall also record the following.</p> <p>(I) Handling of breach of contract.</p> <p>(II) Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.</p> <p>(III) The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.</p> <p>(IV) The manner of handling changes in the number of participating entities or companies.</p> <p>(V) Preliminary progress schedule for plan execution, and anticipated completion date.</p> <p>(VI) Scheduled date for convening the legally mandated shareholders' meeting if the plan exceeds the deadline without completion, and relevant procedures.</p> <p>(No amendments have been made to paragraph 7 and paragraph 8, omitted)</p>	<p>or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.</p> <p>V. <del>The Company</del> participates in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:</p> <p>(I) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.</p> <p>(II) An action, such as a disposal of major assets, that affects the Company's financial operations.</p> <p>(III) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.</p> <p>(IV) An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.</p> <p>(V) An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.</p> <p>(VI) Other terms or conditions that the contract stipulates may be altered and that have been publicly disclosed.</p> <p>VI. The contract for participation by <del>the Company</del> in a merger, demerger, acquisition, or of shares shall be in accordance with Article 317-1 of the Company Act and Article 22 of the Business Mergers and Acquisitions Act, and shall also record the following.</p> <p>(I) Handling of breach of contract.</p> <p>(II) Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.</p> <p>(III) The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.</p> <p>(IV) The manner of handling changes in the number of participating entities or companies.</p> <p>(V) Preliminary progress schedule for plan execution, and anticipated completion date.</p> <p>(VI) Scheduled date for convening the legally mandated shareholders' meeting if the plan exceeds the deadline without completion, and relevant procedures.</p> <p>(No amendments have been made to paragraph 7 and paragraph 8, omitted)</p>	
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<p>Article 10: Disclosures of Financial Statements Where the acquisition or disposal of assets satisfies the criteria for public announcement and report referred to in <u>Article 8</u> herein and the trading counterpart is a de facto related party, the contents of the announcement shall be disclosed in the notes to the financial statements and reported at a shareholders' meeting.</p>	<p>Article 10: Disclosures of Financial Statements Where <del>the Company's</del> acquisition or disposal of assets satisfies the criteria for public announcement and report referred to in <u>Article 6</u> herein and the trading counterpart is a de facto related party, the contents of the announcement shall be disclosed in the notes to the financial statements and reported at a shareholders' meeting.</p>	<p>Consolidate the "Procedures Governing the Acquisition or Disposition of Assets" from Sirtec International Co., Ltd. and its subsidiaries. All the subsidiaries of the Group shall follow the "Procedures Governing the Acquisition or Disposition of Assets" of Sirtec International Co., Ltd and adjust Article numbers.</p>
<p>Delete the Article</p>	<p>Article 11: Control procedures for the acquisition and disposal of assets by subsidiaries. I. Subsidiaries shall establish the "Procedures Governing the Acquisition or Disposition of Assets" in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies." II. "Subsidiaries" is as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</p>	
<p><u>Article 11</u>: Penalties for managers and personnel in-charge violating these Regulations According to the Personnel Management Measures and Work Rules, managers and personnel in-charge violating these Regulations will be punished based on the severity.</p>	<p><u>Article 12</u>: Penalties for managers and personnel in-charge violating these Regulations According to the Personnel Management Measures and Work Rules of <del>the Company</del>, managers and personnel in-charge violating these Regulations will be punished based on the severity.</p>	
<p><u>Article 12</u>: For matters not provided for in these Procedures, it shall be handled in accordance with relevant laws and regulations.</p>	<p><u>Article 13</u>: For matters not provided for in these Procedures, it shall be handled in accordance with relevant laws and regulations and <del>the Company's</del> regulations.</p>	
<p>Article <u>13</u>: When the company engages in derivatives trading, it shall follow the Procedures for Engaging in Derivatives Trading and pay attention to risk management and internal audit.</p>	<p>Article <u>14</u>: When <del>the Company</del> engages in derivatives trading, it shall follow the Procedures for Engaging in Derivatives Trading and pay attention to risk management and internal audit.</p>	
<p><u>Article 14</u>: (No amendments have been made from paragraph 1 to paragraph 4, omitted) Where the position of Independent Directors has been created, powers to establish, amend and execute the Procedures conferred by the Regulations Governing the Acquisition and Disposal of Assets by Public Companies to be exercised by supervisors, shall be exercised by the Audit Committee.</p>	<p><u>Article 15</u>: (No amendments have been made from paragraph 1 to paragraph 4, omitted) Where the position of Independent Directors has been created, powers to establish, amend and execute the Procedures conferred by the Regulations Governing the Acquisition and Disposal of Assets by Public Companies to be exercised by supervisors, shall be exercised by the Audit Committee.</p>	
<p><u>Article 15</u>: Implementation Date These Procedures Governing the Acquisition or Disposition of Assets were resolved on April 24, 1992. ( The second to fifteenth amendment, omitted) The sixteenth amendment was made on June 9, 2022. <u>The seventeenth amendment was made on XX XX, 2023. (To be filled in after the resolution of the shareholders' regular meeting.)</u></p>	<p><u>Article 16</u>: Implementation Date These Procedures Governing the Acquisition or Disposition of Assets were resolved on April 24, 1992. ( The second to fifteenth amendment, omitted) The sixteenth amendment was made on June 9, 2022.</p>	<p>Add amendment date and adjust Article number.</p>

Attachment 7

Sirtec International Co., Ltd.  
List of Director Candidates

Name	Shareholder account number or national ID number	Main Education / Work Experience	Current Position	Number of shares held
Navigator Investment Co., Ltd. Representative: Wang Tze-Chun	80643	Bachelor of Agricultural Economics, National Taiwan University Teaching Assistant, National Taiwan University Certified Public Accountant, Deloitte & Touche	Chairman, SIRTEC INTERNATIONAL CO., LTD. Chairman, Amntong Industrial Co., Ltd. Chairman, Zhuhai Sirtec Image Factory Director, SIRTEC INTERNATIONAL (VIETNAM) COMPANY LIMITED Chairman, Zhuhai Xielong Plastics & Electronics Co., Ltd. Independent Director, Huaku Development Co., Ltd. Supervisor, Taiwan Dun Mu Union Director, SIRTEC INTERNATIONAL (BVI) CO., LTD. Director, SIRFA (B.V.I.) CO., LTD. Director, Sirlight Trading Co., Ltd. Chairman, SIRTEC (Dongguan) Plastics & Electronics Co., Ltd. Chairman, Dongguan Sheysun Plastics & Electronics Co., Ltd. Chairman, Dongguan Sirtec Image Factory Director, Sirtec (Suzhou) Co., Ltd. Supervisor, Grace Charity Trust & Social Welfare Fund Supervisor, Chinese Christian Faith and Love Fund Supervisor, Love Society Social Welfare Fund Supervisor, BOYO Social Welfare Foundation	Number of shares held by juristic person: 3,036,528 shares  Number of shares held by representative: 0 share
Taiwan Navigator Asset Investment Co., Ltd.	68167	N/A	Director, SIRTEC INTERNATIONAL CO., LTD.	3,221,600 shares
Tong-Sheng Development Co., Ltd.	80641	N/A	Director, SIRTEC INTERNATIONAL CO., LTD.	1,841,200 shares
Zheng Yang Development Co., Ltd.	118138	N/A	None	389,000 shares

**Sirtec International Co., Ltd.**  
**List of Independent Director Candidates**

Name	Shareholder account number or national ID number	Main Education / Work Experience	Current Position	Reasons for Independent Directors serving more than three terms of office	Number of shares held
Hsieh Pang-Chang	F1212XXXXXX	Ph.D., College of Bio-Resources & Agriculture, National Taiwan University Professor, Department of Statistics and Information Science, Fu Jen Catholic University Dean, School of Continuing Education (SOCE), Fu Jen Catholic University Vice President for General Affairs, Fu Jen Catholic University Director, Creative Design Center, Fu Jen Catholic University Director, Graduate Institute of Business Administration (Ph.D. Program), Fu Jen Catholic University Professor, The School of Health Care Administration, Taipei Medical University Director, Big Data Research Center, Taipei Medical University Associate Dean, College of Management, Taipei Medical University Dean, College of Management, Taipei Medical University Professor, Master of Advanced Management of Biotechnology, Taipei Medical University New Taipei City Government Municipal Advisor	Independent Director, SIRTEC INTERNATIONAL CO., LTD. Director, Radium Life Tech Co., Ltd. Vice Principal of Resources and Business Development, Fu Jen Catholic University Professor, Holistic Education Center, Fu Jen Catholic University, Professor, Graduate School of Business Consultation Committee Member, National Audit Office New Taipei City Government Municipal Advisor Advisor, the Census Committee, General Accounting Office, Executive Yuan	Although he has served three terms of office of Independent Directors, considering his abundant professional experience and he has continuously provided important suggestions to the management and the Board of Directors for many years, the Company still needs his expertise and would like to nominate him as Independent Directors.	0 share
Tong Chun-Yi	A1206XXXXXX	Master of Science in LSI, Waseda University, Japan B.S. in Economics, University of Southern California, USA Vice Chairman, ABICO AVY Co., Ltd.	Independent Director, SIRTEC INTERNATIONAL CO., LTD. Director, 1 Production Film Co. Chairman, Dongguan Chengguang Precision Hardware Limited Company Chairman, Dongguan Chengguang Trading Limited Company Director, Honlynn Co., Ltd. Chairman, ABICO Capital Co., Ltd.	Although he has served three terms of office of Independent Directors, considering his abundant professional experience and he has continuously	0 share

Name	Shareholder account number or national ID number	Main Education / Work Experience	Current Position	Reasons for Independent Directors serving more than three terms of office	Number of shares held
			<p>Chairman, ABICO International Holding Co., Ltd.  Supervisor, Li Tian Century Co., Ltd.  Independent Director, Taiwan Secom Co., Ltd.  Chairman, Excelsior Capital Management Co., Ltd.  Director, Ability Enterprise Co., Ltd.  Director, Jabon International Co., Ltd.  Director, Neng Lu One Venture Capital Co., Ltd.  Director, Seinoh Optical Co., Ltd.  Vice Chairman, ABICO AVY Co., Ltd.  Director, Abico Plus Entertainment Limited  Chairman, Li Tian Century Investment Co., Ltd.  Director, Jia Mei Co., Ltd.  Chairman, Ability Venture Management Co., Ltd.  Director, AVY Co., Ltd.  Chairman, Dongguan Chengguang Hardware Products Limited Company  Supervisor, Neng Lu Investment Co., Ltd.</p>	<p>provided important suggestions to the management and the Board of Directors for many years, the Company still needs his expertise and would like to nominate him as Independent Directors.</p>	
Hsieh Tshun-Kun	A1229XXXXXX	<p>Bachelor of Economics, University of California, Berkeley  Independent Director, Taiwan Fire &amp; Marine Insurance Co., Ltd.  Independent Director, Chainqui Construction Development Co., Ltd  Director, Taiwan Pan-Heng Capital Limited  Chairman, Royal Bank of Scotland (Taiwan) at Securities Asia Limited, Taiwan Securities Division Principal  General Manager, Citigroup Global Markets (Taiwan), Taiwan Securities Division Principal  Director, ING Barings Securities (Taiwan)  Vice Business General Manager, Greater China Region, CLSA.</p>	<p>Independent Director, Chainqui Construction Development Co., Ltd  Director, Taiwan Pan-Heng Capital Limited</p>	<p>N/A</p>	<p>0 share</p>

## Attachment 8

## Sirtec International Co., Ltd.

## Non-compete restrictions to be released from Director Candidates

Job Title	Candidate Name	Non-compete restrictions to be released
Director	Navigator Investment Co., Ltd. Representative: Wang Tze-Chun	Chairman, Zhuhai Xielong Plastics & Electronics Co., Ltd. Director, Sirtec (Suzhou) Co., Ltd.
	Taiwan Navigator Asset Investment Co., Ltd.	Business item: International Trade
Independent Director	Hsieh Pang-Chang	Director, Radium Life Tech Co., Ltd.
	Tong Chun-Yi	Chairman, ABICO International Holding Co., Ltd. Chairman, ABICO Capital Co., Ltd. Vice Chairman, ABICO AVY Co., Ltd. Director, Abico Plus Entertainment Limited Director, Ability Enterprise Co., Ltd. Director, Jabon International Co., Ltd. Director, Seinoh Optical Co., Ltd. Director, Honlynn Co., Ltd. Director, AVY Co., Ltd. Chairman, Dongguan Chengguang Precision Hardware Limited Company Chairman, Dongguan Chengguang Hardware Products Limited Company Chairman, Dongguan Chengguang Trading Limited Company
	Hsieh Tshun-Kun	Independent Director, Chainqui Construction Development Co., Ltd

## Four. Appendix

### Appendix 1

# Sirtec International Co., Ltd. Articles of Incorporation

#### Section One – General Provisions

- Article 1: The Company shall be incorporated, as a company limited by shares, under the Company Act of the Republic of China, and its name shall be Sirtec International Co., Ltd.  
(SIRTEC INTERNATIONAL CO., LTD.)
- Article 2: The scope of business of the Company shall be as follows:
- 1.C805030 Plastic Daily Necessities Manufacturing.
  - 2.C805050 Industrial Plastic Products Manufacturing.
  - 3.CC01080 Electronics Components Manufacturing.
  - 4.CC01110 Computer and Peripheral Equipment Manufacturing.
  - 5.CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing.
  - 6.CD01030 Motor Vehicles and Parts Manufacturing.
  - 7.CA04010 Surface Treatments.
  - 8.CQ01010 Mold and Die Manufacturing.
  - 9.CH01040 Toys Manufacturing.
  - 10.CH01010 Sporting Goods Manufacturing.
  - 11.CZ99990 Manufacture of Other Industrial Products Not Elsewhere Classified.
  - 12.F206030 Retail Sale of Molds.
  - 13.F401010 International Trade.
  - 14.CC01101 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing.
  - 15.F401021 Restrained Telecom Radio Frequency Equipment and Materials Import.
  - 16.ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1: The Company may conduct investment necessary for its business. The total amount of the Company's investment shall not be subject to the restriction of Article 13 of the Company Act which states that investment by the company shall not exceed 40% of the Company's paid-in capital
- Article 2-2: The Company may provide endorsements and guarantees to other companies. The process shall be handled in accordance with the Company's Operating Procedures of Endorsement/Guarantee.
- Article 3: The Company is headquartered in Taipei City, and shall be free, upon approval of the Board of Directors, to set up, amend, or revoke representative or branch offices at various locations within or outside the territory of the Republic of China, whenever the Company deems it necessary.
- Article 3-1: Public announcements of the Company shall be made in accordance with Article 28 of the Company Act and other relevant regulations.

#### Section Two – Capital Stock

- Article 4: The total capital stock of the Company shall be in the amount of 2.4 billion New Taiwan Dollars, divided into 240 million shares at 10 New Taiwan Dollars par value for each share, and may be paid-up in installments. A total of 24 million New Taiwan Dollars of the total capital stock, divided into 2.4 million shares at 10 New Taiwan Dollars par value for each share, will be reserved for issuing employee stock options, and may be issued in installments in accordance with the resolution of the Board of Directors.
- Article 4-1: Any issuance of employee stock options where the exercise price of such options is lower than the closing price of the ordinary shares of the Company as of the issuance date shall be approved by shareholders representing two-thirds or more of the total number of shares of the Company present at a shareholders' meeting which is attended by shareholders representing at least a majority of the outstanding shares of the Company.
- Article 5: Any assignment of treasury stocks to employees at a price lower than the price of actual repurchase of shares shall be approved by shareholders representing two-thirds or more of the total number of shares of the Company present at a shareholders' meeting which is attended by shareholders representing at least a majority of the outstanding shares of the Company.
- Article 5-1: Where the Company issues any employee stock options, new shares, and employee restricted shares, or transfers any treasury shares purchased in accordance with the laws, the employees who are qualified to subscribe to such employee stock options, new shares, employee restricted shares, or treasury shares shall include employees of subordinate companies that meet certain qualifications. The Board of Directors is authorized to determine the requirements and method of distribution.
- Article 6: The Company may be exempted from printing share certificates if the shares are registered with a domestic

securities depository enterprise.

- Article 7: Stock affairs of the Company are governed by the “Regulations Governing the Administration of Shareholder Services of Public Companies.”
- Article 8: Registration for transfer of shares shall be suspended 60 days immediately before the date of annual general shareholders’ meeting, and 30 days immediately before the date of any special shareholders’ meeting, or within 5 days before the day on which dividends, bonuses, or any other benefits are scheduled to be paid by the Company.

### Section Three – Shareholders’ Meeting

- Article 9: There are two types of Company Shareholders’ Meetings: Annual General Shareholders’ Meetings and Special Shareholders’ Meetings. Annual General Shareholders’ Meetings shall be convened by the Board of Directors within 6 months after the end of each fiscal year. Special Shareholders’ Meetings shall be convened whenever necessary in accordance with the relevant laws, rules and regulations of the Republic of China.
- Article 9-1: Shareholders’ meetings of the Company can be held by means of visual communication network or other methods promulgated by the competent authority.
- Article 10: When the Company convenes a shareholders' meeting, it shall prepare a manual for shareholders' meeting proceedings. Notices shall be sent to all shareholders for the convening of annual general shareholders’ meetings – at least 30 days in advance for annual general shareholders’ meetings and at least 15 days in advance for special shareholders’ meetings.  
Others shall follow Articles 172 and 172-1 of the Company Act.
- Article 11: If a shareholder is unable to attend a shareholders’ meeting, they may appoint a representative to attend it, with a Shareholder Proxy Form issued by the Company stating the scope of authorization. Shareholder Proxies shall be in accordance with Article 177 of the Company Act, and the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.
- Article 12: Shareholders may exercise their voting power in writing or by way of electronic transmission and shall be deemed to have attended the said shareholders’ meeting in person. The exercise of voting power shall be in accordance with the relevant regulations of the competent authority.  
Except as otherwise provided by other laws or regulations, shareholders’ meetings may be held if attended by shareholders or proxies representing more than 50% of the total issued and outstanding capital stock of the Company, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.  
For a shareholders' meeting convened by the Board of Directors, the chair of the meeting shall be appointed in accordance with Article 208 of the Company Act; whereas for a shareholders' meeting convened by any other person with the right to convene, they shall act as the chair of that meeting provided, however, that if there are two or more people having the right to convene, the chairman of the meeting shall be elected from among themselves.
- Article 13: A shareholder who has a personal interest in the matter under discussion at a meeting, which may harm the interest of the Company, shall not vote nor exercise voting rights on behalf of another shareholder.
- Article 14: Except as otherwise provided by other laws or regulations, each share is entitled to one voting right.
- Article 15: Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chair of the meeting and shall be distributed to all shareholders of the Company within twenty 20 days after the close of the meeting. The preparation and distribution of the minutes of shareholders' meeting shall be in accordance with Article 183 of the Company Act.  
The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chair, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the company.  
The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the Company for a minimum period of at least one year. However, if a lawsuit has been instituted by any shareholder, the minutes of the shareholders' meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.
- Article 16: The shareholders' meeting may examine the statements and books prepared and submitted by the Board of Directors and the auditing reports submitted by the Audit Committee, and may decide, by resolution, the surplus earning distribution and deficit off-setting plan.
- Article 16-1: If the Company intends to dismiss its public listing status, it must apply to the competent authority after submitting the resolutions of the shareholders' meeting; this article shall not be changed during the listed period.

### Section Four – Directors

- Article 17: The Company shall have five to eleven Directors. The term of office for Directors shall be three years and Directors are eligible for re-election. The election of Directors and Independent Directors shall adopt the nomination of candidates system. The method of nomination and announcements shall be governed by the relevant provisions of the Company Act and Securities and Exchange Act. Shareholders' Meetings shall elect Directors from among the nominees listed in the roster of Director candidates.  
There shall be no less than three Independent Directors of the Board making up no less than one-fifth of the total number of Directors. The relevant professional qualifications, restrictions on shareholdings and concurrent

positions held, assessment of independence, method of nomination, and other matters for compliance with respect to Independent Directors shall be governed by the relevant provisions of the competent securities authority. The Independent and Non-independent Directors shall be nominated separately and be elected at the same time, and the number of elected directors shall be calculated separately.

The total shares of nominal stocks held by all of the Directors of the Company shall not be less than a specified percentage of its total issued shares prescribed by the competent authority.

- Article 18: In the case that the number of vacancies on the Board of Directors of the Company reaches to one-third of the total number of Directors, or that all Independent Directors are discharged, the Board of Directors shall convene, within 60 days, a special shareholders' meeting to elect succeeding Directors or Independent Directors to fill such vacancies. The term of office of the newly elected members shall be the same as the remaining term of the predecessor.
- Article 19: The Company shall form functional committees such as an Audit Committee and a Remuneration Committee. The Audit Committee shall be composed fully of Independent Directors. It shall not be fewer than three people in number, one of whom shall be the Committee convener, and at least one of whom shall have accounting or financial expertise. The Audit Committee performs the Supervisor's duties pursuant to the Company Act, the Securities and Exchange Act, and other related laws and regulations. Functional committees shall be responsible to the Board of Directors and submit their proposals to the Board of Directors for approval.
- Article 20: The Board of Directors shall be formed by the Directors. The Chairman of the Board of Directors shall be elected by a majority vote at a meeting attended by over two-thirds of the Directors, and shall represent the Company externally.
- Article 21: Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, unless otherwise regulated by the Company Act. In calling a meeting of the Board of Directors, a notice shall set forth therein the subjects to be discussed; meeting of the Board of Directors shall be convened in accordance with relevant regulations of a competent authority. A meeting may be convened at any time in case of urgent circumstances. Directors may be notified of a Board of Directors meeting via written notices, as E-mail or fax. In case the Chairman is on leave or otherwise cannot exercise his duty, the proxy shall follow Article 208 of the Company Act.
- Article 22: Directors shall attend the Meeting of the Board of Directors in person or by means of visual communication network. When a Director is unable to attend any Meeting of the Board of Directors, he may appoint another Director to attend on his behalf within the scope of authorization, but no Director may act as proxy for more than one Director.
- Article 23: Unless otherwise provided for in the Company Act, the adoption of a resolution at a Board of Directors meeting shall require a majority vote in favor of the resolution by more than one-half of the Directors in attendance of the meeting.
- Article 24: Business operations of the Company shall be executed pursuant to the resolutions to be adopted by the Board of Directors, except for the matters the execution of which shall be effected pursuant the resolutions of the shareholders' meeting as required by laws and regulations or the Articles of Incorporation of the Company.
- Article 25: The responsibilities, charters, exercise powers, and other matters in connection with the Audit Committee and the Remuneration Committee shall be governed by the relevant provisions of the competent securities authority and other regulations of the Company.
- Article 26: The Company may purchase Directors Liability Insurance with respect to liabilities resulting from exercising Directors' duties and the unpredictable risks during their terms of office.
- Article 27: The Board of Directors is authorized to determine the compensation recommended by the Remuneration Committee for the Directors, taking into account the extent and value of the services provided for the management of the Company and the standards of the industry.

#### Section Five – Managers

- Article 28: The Company shall appoint one general manager, whose appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

#### Section Six – Accounting

- Article 29: The fiscal year for the Company shall be from January 1st of each year to December 31st of the same year.
- Article 30: After the end of each fiscal year, the following reports shall be prepared by the Board of Directors, and be submitted to the shareholders' meeting for acceptance.
1. Business Report.
  2. Financial Statements.
  3. Proposal Concerning the Distribution of Earnings or Covering of Losses.
- Article 31: If there is any profit for a specific fiscal year, the Company shall allocate 5% of the profit as remuneration to employees and shall allocate 3% of the profit as remuneration to Directors. Remuneration to employees shall be distributed in the form of shares or in cash. Employees qualified to receive such remuneration include employees of controlled or subordinated companies that meet certain specific requirements. The Board of Directors is authorized to determine the qualification of such employees.

Remuneration to Directors shall be paid in cash.

Remuneration to employees and Directors are resolved by a majority vote at a Board of Directors meeting attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting. If the Company has the remuneration distributed to employees in the form of shares by a resolution of the meeting of Board of Directors in accordance with the provision of the preceding paragraph may resolve, at the same meeting of the Board of Directors, to distribute the shares by way of new shares to be issued by the Company or existing shares to be repurchased by the Company.

Notwithstanding, an amount shall first be reserved for making up any cumulative losses of the Company before the aforementioned distribution of employee remuneration and director remuneration.

Article 31-1: Any profit for the year should be used to pay taxes according to laws, offset losses from prior years and then appropriate 10% as legal reserve and recognize or reverse any special reserves required by laws. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. With respect to the remainder of the profits together with previously undistributed profits, the Board of Directors shall prepare a distribution proposal and submit it at a shareholders' meeting to request the shareholders ratify the distribution of shareholder dividends and bonuses.

The Board of Directors is authorized by the Company to distribute all or part of the dividends and bonuses, capital surplus or legal reserve by means of cash by a resolution adopted by a majority vote at a meeting of the Board of Directors attended by over two-thirds of the directors, followed by a report at the shareholders' meeting. The Company's dividend policy takes into account the Company's current and future business development expansion, capital budget and capital needs. The dividends to shareholders are subject to not less than 5% of the distributable earnings for the current year paid by means of cash or stocks. Cash dividends may not be less than 20% of the total dividends.

Article 32: Distribution of the dividends and bonuses shall be effected in proportion to the number of shares held by each shareholder accordingly.

#### Section Seven – Supplementary Provisions

Article 33: The Articles of Association and Enforcement Rules of the Company will be separately prescribed.

Article 34: Matters not provided for in the Articles of Incorporation shall be handled in accordance with the Company Act and related laws and regulations.

Article 35: These Articles of Incorporation were enacted on November 8, 1968.

The first amendment was made on June 18, 1970.

The second amendment was made on May 10, 1972.

The third amendment was made on October 5, 1975.

The fourth amendment was made on November 20, 1981.

The fifth amendment was made on June 15, 1985.

The sixth amendment was made on April 9, 1986.

The seventh amendment was made on July 20, 1987.

The eighth amendment was made on August 31, 1989.

The ninth amendment was made on October 28, 1989.

The tenth amendment was made on March 30, 1990.

The eleventh amendment was made on August 14, 1990.

The twelfth amendment was made on November 3, 1990.

The thirteenth amendment was made on July 16, 1991.

The fourteenth amendment was made on December 9, 1991.

The fifteenth amendment was made on April 24, 1992.

The sixteenth amendment was made on June 18, 1993.

The seventeenth amendment was made on June 3, 1994.

The eighteenth amendment was made on May 8, 1997.

The nineteenth amendment was made on April 20, 1998.

The twentieth amendment was made on September 15, 1998.

The twenty-first amendment was made on March 29, 1999.

The twenty-second amendment was made on August 30, 1999.

The twenty-third amendment was made on June 9, 2000.

The twenty-fourth amendment was made on June 1, 2001.

The twenty-fifth amendment was made on May 30, 2002.

The twenty-sixth amendment was made on May 30, 2002.

The twenty-seventh amendment was made on June 6, 2003.

The twenty-eighth amendment was made on June 6, 2003.

The twenty-ninth amendment was made on June 3, 2004.

The thirtieth amendment was made on June 10, 2005.

The thirty-first amendment was made on June 9, 2006.

The thirty-second amendment was made on June 13, 2008.

The thirty-third amendment was made on June 16, 2009.

The thirty-fourth amendment was made on June 15, 2010.  
The thirty-fifth amendment was made on June 12, 2012.  
The thirty-sixth amendment was made on June 13, 2013.  
The thirty-seventh amendment was made on March 12, 2015.  
The thirty-eighth amendment was made on June 25, 2015.  
The thirty-ninth amendment was made on June 15, 2016.  
The fortieth amendment was made on June 13, 2017.  
The forty-first amendment was made on June 18, 2019.  
The forty-second amendment was made on June 15, 2020.  
The forty-third amendment was made on June 9, 2022.

Sirtec International Co., Ltd.

Chairman: Wang Tze-Chun

## Appendix 2

# Sirtec International Co., Ltd. Rules and Procedures of Shareholders' Meeting

- Article 1: Unless otherwise provided for in applicable laws or regulation, shareholders' meetings of the Company shall be conducted in accordance with these Rules and Procedures.
- Changes to how the Company convenes the shareholders' meeting shall be resolved by the Board of Directors no later than the mailing of the shareholders' meeting notice.
- The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of Directors or Supervisors, 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 Company shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the Market Observation Post System 21 days before the date of the regular shareholders' meeting or 15 days before the date of the special shareholders' meeting. The Company shall prepare the shareholders' meeting agenda and supplemental meeting materials 15 days before the date of the shareholders' meeting and make them available for review by shareholders at any time. The meeting agenda and supplemental materials shall be displayed at the Company and the professional shareholder services agent designated thereby.
- The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:
- I. For physical shareholders' meetings, to be distributed on-site at the meeting.
  - II. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
  - III. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.
- Article 2: The Company shall provide attending shareholders with an attendance book to sign in, or attending shareholders may submit a sign-in card in lieu of signing in.
- The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.
- Article 3: Attendance and voting rights at shareholders' meetings shall be calculated based on the numbers of shares represented. When the Company holds a shareholders' meeting, it shall allow exercising of voting rights by electronic means and may allow exercising of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method shall be specified in the shareholders' meeting notice.
- A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his rights with respect to the extraordinary motions and amendments to original proposals of that meeting.
- The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form. Election or dismissal of Directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by Directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion.
- Article 3-1: A shareholder holding one percent or more of the total number of issued shares may submit a proposal for discussion to the Company at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. Unless the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors shall not exclude it from the agenda.
- Prior to the book closure date before a regular shareholders' meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in the discussion of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. The Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda at the shareholders' meeting.

Article 4:

The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the Independent Directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

The Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person.

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

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company 2 days before the meeting date.

In the event of a virtual shareholders' meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep the information disclosed until the end of the meeting.

For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company 5 days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting online, a written notice of proxy cancellation shall be submitted to the Company 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

A shareholder intending to exercise voting rights by correspondence or electronic means shall deliver a written declaration of intent to the Company 2 business 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. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Article 4-1:

When the Company convenes a shareholders' meeting with video conferencing, it shall specify the following matters in the shareholders' meeting notice:

- I. The means for shareholders to take part in the video conferencing and exercise their rights.
- II. Measures to be taken if, due to circumstances of a natural disaster, unforeseen event, or other force majeure event, any disruption occurs in the video conferencing platform or in participation by means of video conferencing, including at least the following particulars:
  - (I) To what time the meeting is postponed or from what time the meeting will resume if the above disruption continues and cannot be eliminated, and the date to which the meeting is postponed or on which the meeting will resume.
  - (II) Shareholders that have not registered to take part by video conference in the originally scheduled shareholders' meeting may not take part by video conference in the postponed or reconvened

meeting.

- (III) When the Company convenes a hybrid shareholders meeting, if the virtual meeting cannot be continued, then if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the shareholders meeting by video conferencing, meets the legal quorum for holding a shareholders' meeting, the shareholders' meeting shall continue in session. The number of shares represented by the shareholders, proxy solicitors, or proxy agents who were attending the shareholders' meeting by video conferencing shall be counted toward the total number of shares represented by the shareholders attending the meeting, but they shall be deemed to have waived their voting rights on all proposals at that shareholders' meeting.

- (IV) Measures to be taken if the outcome of all proposals have been announced but extemporary motions have not yet been proceeded with.

III. When the Company convenes a virtual-only shareholders' meeting, it furthermore shall specify appropriate alternative measures available to shareholders who have difficulty taking part in a virtual shareholders' meeting.

Article 5: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board and be attended by a majority of the directors, at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes. When the Chairman of the Board is on leave or for any reason unable to exercise the powers of the Chairman, the Vice Chairman shall act in place of the Chairman; if there is no Vice Chairman or the Vice Chairman also is on leave or for any reason unable to exercise the powers of the Vice Chairman, the Chairman shall appoint one of the Managing Directors to act as chairman, or, if there are no Managing Directors, one of the Directors shall be appointed to act as chairman. Where the Chairman does not make such a designation, the Managing Directors or the Directors shall select from among themselves one person to serve as chairman.

If a shareholders' meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairman from among themselves.

Article 6: The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

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

Article 7: The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

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

Where a shareholders' meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders' meeting, the Company shall audio and video record the back-end operation interface of the virtual meeting platform.

Article 8: The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 4.

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

Article 9: If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. Except for the proposals set out in the agenda, any amendment or alternative to a proposal shall be seconded by other shareholders. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of

the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.

If the chair declares the meeting adjourned in violation of the rules of procedure, other members shall elect a new chair by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

- Article 10: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
- When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
- Article 11: Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.
- If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
- Article 12: When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
- Article 13: After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in Articles 10 to 12 do not apply.
- Article 14: When the chair is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chair may announce the discussion closed and bring the matter to vote.
- Article 15: Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.
- Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.
- Article 16: When a meeting is in progress, the chair may announce a break based on time considerations.
- Article 17: Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.
- When a proposal comes to a vote, if the chair puts the matter before all shareholders present at the meeting and none voices an objection, the matter is deemed approved.
- When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ended or will be deemed to have abstained from voting. In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.
- When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 4 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online. When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.
- A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under the Company Act. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.
- If shareholders do raise any objections, the resolution must be remarked to have passed through voting, with details on the number of passing votes. The election of Directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as Directors and the numbers of votes with which they were elected, and the names of Directors not elected and number of votes they received.

- Article 18: When there is an amendment or an alternative to a proposal, the proposal shall be seconded by other shareholders, and the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- Article 19: The chair may direct the security personnel to help maintain order at the meeting place. When security personnel help maintain order at the meeting place, they shall wear an identification card.
- Article 20: In case of incident of force majeure, the chair may decide to temporarily suspend the meeting and announce, depending on the situation, when the meeting will be resumed, or may, by resolution of shareholders present at the meeting, resume the meeting within five days without further notice or public announcement.
- Article 21: On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.
- During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.
- Article 22: In the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and elections immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.
- Article 23: For matters not provided for in these Rules, it shall be handled in accordance with the Company Act and the Company's Articles of Incorporation.
- Article 24: These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.
- Article 25: These Rules were resolved on November 20, 1981.  
The first amendment was made on April 20, 1998.  
The second amendment was made on May 30, 2002.  
The third amendment was made on June 3, 2004.  
The fourth amendment was made on June 9, 2006.  
The fifth amendment was made on June 13, 2008.  
The sixth amendment was made on June 15, 2011.  
The seventh amendment was made on June 12, 2012.  
The eighth amendment was made on June 13, 2013.  
The ninth amendment was made on June 25, 2015.  
The tenth amendment was made on June 18, 2019.  
The eleventh amendment was made on August 4, 2021.  
The twelfth amendment was made on June 9, 2022.

## Sirtec International Co., Ltd. Procedures for Financial Derivatives Transactions

### Chapter One – General Provisions

- Article 1: Purpose  
These Procedures are enacted for the purpose of protecting investors, fulfilling information disclosure, and enhancing the Company to establish risk management system for derivatives trading.
- Article 2: Basis  
These Procedures are established pursuant to Article 36-1 of the Securities and Exchange Act and the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” issued by the Financial Supervisory Commission R.O.C. (hereinafter “the FSC”).
- Article 3: Definitions  
Derivatives trading for trading purpose means to hold or issue derivatives in order to gain the commodity trading spreads, including dealing and other trading activities measured at fair value and recognized as profit or loss. Other transactions not for trading purposes belong to transactions “for purposes other than trading.”
- Article 4: Scope of application  
The Company may engage in the following derivatives trading:
- I. Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.
  - II. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
- Article 4-1: Hedging strategy  
The Company shall engage in derivatives trading for hedging purpose, and shall choose products that focus on avoiding risks derived from the Company’s business operation. Each trading shall be carefully evaluated and get the approval of the Chairman before proceeding.  
The Company shall not engage in derivatives trading for trading purposes.

### Chapter Two – Operation procedures

- Article 5: Authorization limit
- I. The Company engages in derivatives trading based on the principle of natural hedging. The Company shall set the authorization limit based on its demand for each currency and the net position of each currency ( i.e., the difference between foreign currency assets and liability), and refer to the estimated cash flow as risk avoidance amount.
  - II. The total amount of derivative contracts for hedging purpose shall not exceed 50% of the Company’s operating income in the prior year, and shall be executed after the approval of the Chairman.
- Article 6: The maximum trading amount  
Since the Company engages in derivatives trading for hedging purpose (purposes other than trading), the amount of an individual derivative contract shall not exceed 25% of the Company’s operating income in the prior year, and the total amount of the effective derivative contracts shall not exceed 50% of the Company’s operating income in the prior year.
- Article 7: Duties of the manager in charge of derivatives trading:
- I. Design the format of management report and control the overall limits of the Company to the authorization of the Chairman.
  - II. Design the risk assessment model and performance evaluation model.
  - III. Approve the appointment and dismissal of the trading personnel. Control the trading department and the authorized limit of each trading personnel.
- The title and personnel appointment and dismissal of the manager referred to from the preceding paragraph shall be submitted by the General Manager and be approved by the Chairman.
- Article 8: Duties of trading personnel in the trading department:
- I. Map out the strategy for trading within the authorized limit and trade directly with counterparties.
  - II. Provide dealing slips and documents timely.
- The organization, titles and personnel appointment and dismissal of the trading personnel referred to from the preceding paragraph are defined by managers referred to in Article 7.
- Article 9: Duties of back-end personnel:

- I. Sign agreements, open accounts and review with counterparties.
  - II. Review the dealing slips and all related statements and reports presented by the trading department.
  - III. Delivery and settlement operations related to trading.
- The organization, titles and personnel appointment and dismissal of the back-end personnel referred to from the preceding paragraph are defined by managers referred in Article 7.

#### Chapter Three – Procedures of announcement and reporting

##### Article 10: Items to be announced and reported

The Company shall compile monthly reports on the status of derivatives trading (including for trading purposes and non-trading purposes) engaged in up to the end of the preceding month and enter the information in the prescribed format into the information reporting website designated by the Securities and Futures Bureau of the Financial Supervisory Commission by the 10th day of each month.

Subsidiaries of the Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month and submit the information in the prescribed format to the Company by the 10th day of each month. The Company shall announce and report the information by the 10th day of each month.

#### Chapter Four – Accounting treatments

##### Article 11: Disclosure in the financial report

The accounting treatments regarding the derivatives trading of the Company are in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by the Financial Supervisory Commission, the Business Entity Accounting Act, the Regulations on Business Entity Accounting Handling, and Generally Accepted Accounting Principles. The Company shall disclose the derivatives trading in regular financial reports (including annual, semiannual, quarterly, and consolidated financial reports.)

#### Chapter Five – Internal control system

##### Article 12: Personnel regulations

Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.

Risk measurement, monitoring, and control personnel shall be assigned to personnel of different departments from the preceding paragraph, and shall report to the Board of Directors or senior management personnel with having no responsibilities in trading or decision-making positions.

##### Article 13: Performance evaluation

The Company conducts performance evaluation based on the type of trading strategies, traders, products and all Company trading conditions.

##### Article 14: Accounting department

The accounting department shall create statistics which demonstrate the Company's derivatives trading details, nominal amount of trading positions, realized and unrealized profit/loss on a regular basis in accordance with the transaction receipts and various statements presented by the trading departments, and compile summary tables to be submitted for review.

##### Article 15: Closing positions

The Company engages in derivatives trading mainly for hedging purposes (purposes other than trading.) If the loss amount of an individual contract exceeds NT\$5 million, or the total loss amount of all effective contracts exceeds NT\$10 million, the positions must be closed immediately within two trading days and a special project report shall be submitted. The Company shall announce relevant information on the information reporting website designated by the Securities and Futures Bureau of the Financial Supervisory Commission within two days counting inclusively from the date of occurrence of the event.

##### Article 16: Trading risk management measures

The scope and measures of risk management shall include the following items:

- I. Credit Risk Management: Transactions shall be conducted with well-rated financial institutions.
- II. Market Price Risk Management: Transactions shall be conducted primarily in public transaction markets provided by banks.
- III. Liquidity Risk Management: The Company shall engage in derivatives trading with higher liquidity (such as forward exchange). The financial institution which the Company engages shall possess sufficient information and have the capability to conduct transactions in relevant markets at any time.
- IV. Cash Flow Risk Management: In order to ensure the stability of the Company's working capital turnover, the Company shall engage in derivatives trading with its own capital and shall take future capital demand for revenues and expenses into consideration.

- V. Operation Risk Management:
  - (I) In order to avoid operation risks, the Company shall fully comply with its authorized amount and operation procedures and shall include the matters regarding derivatives trading into internal audit.
  - (II) The personnel responsible for measuring, monitoring and controlling risks shall report to the senior management personnel authorized by the Board of Directors on a monthly basis.
- VI. Legal Risk Management: Documents with banks shall not be formally signed until they have been reviewed by legal personnel.

Hedging transactions made for business purposes shall be evaluated at least twice a month; evaluation reports shall be submitted to senior management personnel authorized by the Board of Directors to evaluate whether the loss has exceeded the loss limit regulated in Article 15 and need to make a reversal transaction in advance.

Article 17: Supervision and management

Board of Directors shall faithfully supervise and manage derivatives trading in accordance with the following principles:

- I. Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.
- II. Periodically evaluate and discuss whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.

Senior management personnel authorized by the Board of Directors shall manage derivatives trading in accordance with the following principles:

- I. Periodically evaluate the risk management measures currently employed ensuring that they are appropriate and are faithfully conducted in accordance with these Procedures and the procedures for engaging in derivatives trading formulated by the Company.
- II. In the course of supervising trading and profit-loss circumstances, when irregular circumstances are found or the holding position exceeds the loss limit regulated in Article 15, appropriate measures shall be adopted and a report immediately made to the Board of Directors; where a company has Independent Directors, an Independent Director shall be present at the meeting and express an opinion.

The Company shall report to the next Board of Directors meeting after it authorizes relevant personnel to handle derivatives trading in accordance with the Procedures.

#### Chapter Six – Internal auditing system

Article 18: Purpose of internal audit

The Company conducts internal audits on derivatives trading in order to assist the unit heads to comprehend if their subordinates, while handling business and verifying operations, comply with the laws and regulations and the Company's internal regulations so as to provide timely suggestions for improvement and enhance management performance.

Article 19: Duties of audit personnel:

- I. Regular operational checks.
- II. Unscheduled review of abnormal movements and special circumstances.
- III. Assessment of procedures of internal management and control.
- IV. Understanding and acquisition of proper accounting records.
- V. Comprehension of the efficacy execution and command by all units
- VI. Submission of relevant reports and recommendations.

Article 20: Scope of audit

The scope of audit includes audit work of account opening and account management of derivatives products, trading cycle, margin management, clearance and settlement management, computer operation and information management, payroll cycle, accounting and cashier operations.

Article 21: Execution of audit work and issuance of audit report

- I. When internal auditors conduct inspection tasks, they may retrieve different types of data files, and the inspected units shall fully cooperate without rejection or concealment to ensure the accuracy and timeliness of the information.
- II. After internal auditors complete each inspection, they shall prepare an inspection report to present discovered deficiencies and propose suggestions for improvement, and continue to follow up with the correction conditions. Such information will serve as a reference for senior management to adopt timely countermeasures.
- III. Internal auditors shall inspect the compliance with these Procedures of the trading department by month and prepare audit reports. If material irregularities are found, internal auditors shall submit written documents to the Audit Committee.

## Chapter Seven – Additional Provisions

- Article 22: The Company engages in derivatives trading shall establish a log book in which details of the types and amounts of derivatives trading engaged in, Board of Directors approval dates, and the matters required to be carefully evaluated under Articles 16 and 17 shall be recorded in detail in the log book.
- Article 23: These Procedures and any amendments thereafter shall become effective with the consent of more than half of all members of the Audit Committee and after being submitted to the Board of Directors for a resolution and approved by shareholders in a shareholders' meeting. If a Director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the Director's dissenting opinion to the shareholders' meeting for discussion.
- When the preceding Procedures are adopted or amended, they shall be approved by one-half or more of all Audit Committee members and submitted to the Board of Directors for a resolution.
- If approval of one-half or more of all Audit Committee members as required in the preceding paragraph is not obtained, the Procedures may be implemented if approved by two-thirds or more of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.
- Where the position of Independent Directors has been created, powers to establish, amend and execute the Procedures conferred by the Regulations Governing the Acquisition and Disposal of Assets by Public Companies to be exercised by supervisors, shall be exercised by the Audit Committee.
- Article 24: The first version of these Procedures were resolved on April 1, 1999.  
The first amendment was made on April 2, 2001.  
The second amendment was made on March 14, 2003.  
The third amendment was made on March 10, 2005.  
The fourth amendment was made on May 12, 2010.  
The fifth amendment was made on June 15, 2011.  
The sixth amendment was made on June 12, 2012.  
The seventh amendment was made on June 17, 2014.  
The eighth amendment was made on June 25, 2015.  
The ninth amendment was made on June 18, 2019.

## Sirtec International Co., Ltd.

### Procedures Governing the Acquisition or Disposition of Assets

- Article 1: Basis  
 Except for otherwise governed by the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” issued by the Financial Supervisory Commission R.O.C. (hereinafter “the FSC”) and other laws and regulations, the acquisition or disposition of assets of the Company shall follow these procedures.
- Article 2: Scope of Assets  
 The term "assets" as used in these Procedures includes the following:
- I. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
  - II. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
  - III. Memberships.
  - IV. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
  - V. Right-of-use assets.
  - VI. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
  - VII. Derivatives.
  - VIII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
  - IX. Other major assets.
- Article 3: Definitions of Relevant Terms
- I. Derivatives:  
 Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
  - II. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law:  
 Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of the Company Act.
  - III. Related party or subsidiary:  
 As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
  - IV. Professional appraiser:  
 Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
  - V. Date of occurrence:  
 Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of Boards of Directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
  - VI. Mainland China area investment:  
 Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
  - VII. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.

- VIII. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
- IX. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.
- X. The term "most recent financial statements" refers to financial statements audited, certified or reviewed by a certified public accountant in accordance with the law prior to acquisition or disposal of assets.

Article 4: Procedures governing the acquisition or disposition of securities  
 The acquisition or disposition of securities shall be signed according to the approval authority table (see the attachment) of the Company. Provided that a single transaction of the acquisition or disposition of securities is greater than NT\$30 million, the executing department shall submit an evaluation report.  
 Total amounts of securities acquired by the Company shall be handled in compliance with related articles of the Company's Articles of Incorporation. Total amounts of investments of the subsidiary shall be handled in compliance with the subsidiary's Articles of Incorporation.

Article 5: Procedures governing the acquisition or disposition of real property, equipment, or right-of-use assets  
 The acquisition or disposition of real property, equipment, or right-of-use assets thereof shall be submitted by the department with actual demand or the original using department and states the reasons. The acquisition or disposition request shall be executed after finishing the price inquiry, comparison and negotiation process and countersigning by relevant departments, based on the approval authority table.  
 Major asset transactions with amount greater than NT\$30 million shall be approved by the Audit Committee and the Board of Directors. Except for acquiring assets for business use by the Company and its subsidiaries, the acquisition of real property for non-business use by the Company shall not exceed 40 percent of the Company's net worth. The acquisition of real property for non-business use by each of the Company's subsidiary shall not exceed 40 percent of the Company's net worth. Total amounts of the acquisition of real property for non-business use by the Company and its subsidiaries shall not exceed 50 percent of the Company's net worth.

The execution departments: Real property department, fixed assets using departments, management departments, and other responsible departments.

Article 5-1: With respect to the Company's acquisition or disposal of assets that is subject to the approval of the Audit Committee and the Board of Directors under the company's procedures or other laws or regulations, if a Director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit the Director's dissenting opinion to the Audit Committee.  
 Where the position of Independent Director has been created, when a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.  
 Any transaction involving major assets or derivatives shall be approved by one-half or more of all Audit Committee members and submitted to the Board of Directors for a resolution, and shall be subject to mutatis mutandis application of Article 15, paragraphs 3 and 4.

Article 6: Evaluation Procedure

- I. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:
  - (I) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Audit Committee, and then be submitted for approval by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
  - (II) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
  - (III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
    - 1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.

2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.
- (IV) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; Provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.
- II. The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the FSC.
- III. Where the Company acquires or disposes of memberships, intangible assets or right-of-use assets thereof and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.
- IV. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for appraisal report or CPA opinion.
- V. The calculation of the transaction amounts in this Article shall be done in accordance with Article 7, paragraph 2, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.
- VI. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
  - (I) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
  - (II) May not be a related party or de facto related party of any party to the transaction.
  - (III) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

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

- (I) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
- (II) When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
- (III) They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
- (IV) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.

Article 7: Time limit for public announcement and reporting

- I. Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:
  - (I) Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall

not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

- (II) Merger, demerger, acquisition, or transfer of shares.
  - (III) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.
  - (IV) Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million. (For a public company whose paid-in capital is less than NT\$10 billion)
  - (V) Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.
  - (VI) Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.
  - (VII) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:
    - 1. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.
    - 2. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.
    - 3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- II. The amount of transactions above shall be calculated as follows:
- (I) The amount of any individual transaction.
  - (II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
  - (III) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
  - (IV) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.
- "Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.
- III. Announcement and declaration of subsidiaries:  
Information required to be publicly announced and reported in accordance with the provisions of Article 7 on acquisitions and disposals of assets by the Company's subsidiary that is not itself a public company in Taiwan shall be reported by the Company.  
The paid-in capital or total assets of the Company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative to paid-in capital or total assets, it reaches a threshold requiring public announcement and regulatory filing under paragraph 1.
- IV. When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.
- V. The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.

- VI. Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the paragraphs 1 and 3, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:
- (I) Change, termination, or rescission of a contract signed in regard to the original transaction.
  - (II) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
  - (III) Change to the originally publicly announced and reported information.
- VII. For the calculation of 10 percent of total assets under these Procedures, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used. In the case of a company whose shares have no par value or a par value other than NT\$10-for the calculation of transaction amounts of 20 percent of paid-in capital under these Procedures, 10 percent of equity attributable to owners of the parent shall be substituted; for calculations under the provisions of these Procedures regarding transaction amounts relative to paid-in capital of NT\$10 billion, NT\$20 billion of equity attributable to owners of the parent shall be substituted.

Article 8: Related Party Transactions

- I. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised in compliance with the provisions of Article 7 and this Article, if the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with Article 6. The calculation of the transaction amounts shall be done in accordance with Article 7, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.
- II. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and the Board of Directors:
- (I) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
  - (II) The reason for choosing the related party as a transaction counterparty.
  - (III) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with paragraphs 4 and 5.
  - (IV) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party.
  - (V) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
  - (VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with this Article paragraph 1.
  - (VII) Restrictive covenants and other important stipulations associated with the transaction.
- III. When the acquisition or disposal of equipment or right-of-use assets thereof held for business use is conducted between the Company and its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company shall follow the approval authority table. The Company's Board of Directors may delegate the Board Chairman to decide such matters when the transaction amount is between NT\$ 30 million and NT\$ 40 million and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting. Where the position of Independent Director has been created, when a matter is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting. If the Company or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 2 and the transaction amount will reach 10 percent or more of the Company's total assets, the Company shall submit the materials in all the subparagraphs of paragraph 2 to the

shareholders' meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and its subsidiaries or between its subsidiaries.

The calculation of the transaction amounts in paragraph 2 and paragraph 3 shall be made in accordance with Article 7, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholders' meeting, the Audit Committee, and the Board of Directors need not be counted toward the transaction amount.

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

- (I) Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
- (II) Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

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

The Company acquires real property or right-of-use assets thereof from a related party and appraises the cost of the real property or right-of-use assets thereof in accordance with the paragraph shall also engage a certified public accountant to check the appraisal and render a specific opinion.

Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with this Article, paragraphs 2 and 3, and the preceding three subparagraphs of this paragraph do not apply:

- (I) The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
- (II) More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.
- (III) The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.
- (IV) The real property right-of-use assets for business use are acquired by the Company with its subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.

V. When the results of the Company's appraisal conducted in accordance with paragraph 4 and this paragraph are uniformly lower than the transaction price, the following steps shall be taken:

- (I) A special reserve shall be set aside in accordance with the regulations against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in the Company, then the special reserve shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the Company.
- (II) Actions taken pursuant to the preceding subparagraph shall be reported to a shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

The Company has set aside a special reserve under the preceding paragraph and may not utilize the special reserve until it has recognized a loss or decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.

When the Company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arms length transaction.

Where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

- (I) Where the related party acquired undeveloped land or leased land for development, it may submit

proof of compliance with one of the following conditions:

1. Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
  2. Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring properties or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
- (II) Where the Company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.

Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

Article 9: Mergers, Demergers, Acquisitions, and Assignment of Shares

- I. The Company conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the Board of Directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the Audit Committee and Board of Directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.
- II. The Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders' meeting and include it along with the expert opinion referred to in the preceding paragraph when sending shareholders notification of the shareholders' meeting for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts the Company from convening a shareholders' meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.  
Where the shareholders' meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders' meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders' meeting.
- III. The Company participates in a merger, demerger, or acquisition shall convene a Board of Directors meeting and shareholders' meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.  
The Company participates in a transfer of shares shall call a Board of Directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.  
When participating in a merger, demerger, acquisition, or transfer of another company's shares, the company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:
  - (I) Basic identification data for personnel:  
Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
  - (II) Dates of material events:  
Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a Board of Directors

meeting.

(III) Important documents and minutes:

Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings. When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in the preceding subparagraph to the FSC for recordation.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of paragraph 3 and paragraph 4.

- IV. Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.
- V. The Company participates in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the below-listed circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:
- (I) Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
  - (II) An action, such as a disposal of major assets, that affects the Company's financial operations.
  - (III) An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
  - (IV) An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock.
  - (V) An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
  - (VI) Other terms or conditions that the contract stipulates may be altered and that have been publicly disclosed.
- VI. The contract for participation by the Company in a merger, demerger, acquisition, or of shares shall be in accordance with Article 317-1 of the Company Act and Article 22 of the Business Mergers and Acquisitions Act, and shall also record the following:
- (I) Handling of breach of contract.
  - (II) Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
  - (III) The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
  - (IV) The manner of handling changes in the number of participating entities or companies.
  - (V) Preliminary progress schedule for plan execution, and anticipated completion date.
  - (VI) Scheduled date for convening the legally mandated shareholders' meeting if the plan exceeds the deadline without completion, and relevant procedures.
- VII. After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders' meeting has adopted a resolution authorizing the Board of Directors to alter the limits of authority, such participating company may be exempted from calling another shareholders' meeting to resolve on the matter anew.
- VIII. Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of the paragraphs 3, 4 and 7 of this article.

Article 10: Disclosures of Financial Statements

Where the Company's acquisition or disposal of assets satisfies the criteria for public announcement and report referred to in Article 6 herein and the trading counterpart is a de facto related party, the contents of the announcement shall be disclosed in the notes to the financial statements and reported at a shareholders' meeting.

Article 11: Control procedures for the acquisition and disposal of assets by subsidiaries.

- I. Subsidiaries shall establish the “Procedures Governing the Acquisition or Disposition of Assets” in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies.”
- II. “Subsidiaries” is as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 12: Penalties for managers and personnel in-charge violating these Regulations  
According to the Personnel Management Measures and Work Rules of the Company, managers and personnel in-charge violating these Regulations will be punished based on the severity.

Article 13: For matters not provided for in these Procedures, it shall be handled in accordance with related laws and regulations.

Article 14: When the Company engages in derivatives trading, it shall follow the Procedures for Engaging in Derivatives Trading and pay attention to risk management and internal audit.

Article 15: These Procedures and any amendments thereafter shall become effective with the consent of more than half of all members of the Audit Committee and after being submitted to the Board of Directors for a resolution and approved by shareholders in a shareholders’ meeting. If a Director expresses and it is contained in the minutes or a written statement, the Company shall submit the Director's dissenting opinion to the Audit Committee.

Where the position of Independent Director has been created, when a transaction involving the acquisition or disposal of assets is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.

When the Procedures for the acquisition and disposal of assets are adopted or amended, they shall be approved by one-half or more of all Audit Committee members and submitted to the Board of Directors for a resolution. If approval of one-half or more of all Audit Committee members as required in the preceding paragraph is not obtained, the Procedures may be implemented if approved by two-thirds or more of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.

Where the position of Independent Directors has been created, powers to establish, amend and execute the Procedures conferred by the Regulations Governing the Acquisition and Disposal of Assets by Public Companies to be exercised by supervisors, shall be exercised by the Audit Committee.

Article 16: Implementation Date

These Procedures Governing the Acquisition or Disposition of Assets were resolved on April 24, 1992.

The first amendment was made on May 30, 1995.

The second amendment was made on May 8, 1997.

The third amendment was made on March 29, 1999.

The fourth amendment was made on August 30, 1999.

The fifth amendment was made on November 26, 1999.

The sixth amendment was made on December 15, 1999.

The seventh amendment was made on August 1, 2002.

The eighth amendment was made on March 14, 2003.

The ninth amendment was made on March 8, 2007.

The tenth amendment was made on June 12, 2012.

The eleventh amendment was made on June 13, 2013.

The twelfth amendment was made on June 17, 2014.

The thirteenth amendment was made on June 25, 2015.

The fourteenth amendment was made on June 13, 2017.

The fifteenth amendment was made on June 18, 2019.

The sixteenth amendment was made on June 9, 2022.

## Appendix 5

### Sirtec International Co., Ltd. Rules for Election of Directors

- Article 1: Unless otherwise provided in the Law or the Articles of Incorporation of this Company, the directors of this Company shall be elected in accordance with the rules specified herein.
- Article 2: The Company's Directors shall be elected by a cumulative voting method. 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 2-1: Elections of Directors at this Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.  
The qualification, election, nomination and announcement with regard to the Independent Directors shall be set forth in accordance with the Company Act and the Securities and Exchange Act.
- Article 3: When the election begins, the chair shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel. All monitoring personnel shall be shareholders of the Company.
- Article 4: The number of Directors will be as specified in the Company's Articles of Incorporation. 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.  
The voting rights for Independent and Non-independent Director positions are separately calculated. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes.
- Article 5: The Board of Directors shall prepare separate ballots for Directors in numbers corresponding to the Directors 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 6: A ballot is invalid under any of the following circumstances:  
1. The ballot did not follow the Procedures.  
2. Two or more candidates are filled out in one ballot.  
3. Other words or marks are entered in addition to the number of voting rights allotted.  
4. The ballot was not filled out in accordance with Article 6.  
5. A blank ballot is placed in the ballot box.
- Article 7: A candidate's ballot is invalid under any of the following circumstances:  
1. The writing is unclear and indecipherable or has been altered.  
2. The candidate whose name is entered in the ballot does not conform to the Director candidate list.
- Article 8: 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, the recording shall be retained until the conclusion of the litigation.
- Article 9: The Board of Directors shall issue notifications to the persons elected as Directors. Persons elected as Directors shall sign a letter of intent.
- Article 10: These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders' meeting.
- Article 11: For matters not provided for in these Procedures, it shall be handled in accordance with the Company's Articles of Incorporation, the Company Act and related laws and regulations.
- Article 12: These Procedures were resolved on January 15, 1990.  
The first amendment was made on May 30, 2002.  
The second amendment was made on June 3, 2004.  
The third amendment was made on June 10, 2005.  
The fourth amendment was made on June 13, 2013.  
The fifth amendment was made on March 12, 2015.  
The sixth amendment was made on June 25, 2015.  
The seventh amendment was made on June 18, 2019.  
The eighth amendment was made on August 4, 2021.

## Appendix 6

### Sirtec International Co., Ltd. Shareholdings of Directors

- I. As required under Article 26 of the Securities and Exchange Act and the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”:
1. The Company has appointed three Independent Directors. According to the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, if a public company has elected two or more Independent Directors, the share ownership standards for all Directors other than the Independent Directors shall be decreased by 20%.
  2. As Sirtec. has a majority of independent directors, and has established the audit committee that satisfies the requirements of the Securities and Exchange Act, the minimum shareholding requirements for directors and supervisors do not apply.
  3. Based on the calculation of Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum shares required to be held by all Directors of the Company is 8,000,000 shares. The Company has met the legal percentage requirements.
- II. As of April 17, 2023, the shareholder registration record date for 2023 Annual Shareholders’ Meeting, the Company’s total outstanding shares are 103,040,000 common shares, and the shareholdings of all Directors are listed below:

Job Title	Name	Number of shares held	Shareholding Ratio
Chairman	Navigator Investment Co., Ltd. Representative: Wang Tze-Chun	3,036,528	2.95%
Director	Taiwan Navigator Asset Investment Co., Ltd. Representative: Lee Tai-Hung	3,221,600	3.13%
Director	Tong-Shen Development Co., Ltd. Representative: Yang Ming-Hsien	1,841,200	1.79%
Director	Huang Yung-Lun	0	0%
Independent Director	Hsieh Pang-Chang	0	0%
Independent Director	Tong Chun-Yi	0	0%
Independent Director	Huang Wei-Sen	0	0%
Total		8,099,328	7.87%

## Five. Other Matters

Explanations for proposals made by shareholders for the 2023 Annual Meeting of Shareholders.

Explanation:

1. In accordance with Article 172-1 of the Company Act, shareholders holding one percent or more of the total number of outstanding shares of the Company may make a proposal in writing for discussion at a annual meeting of shareholders, provided that only one matter shall be allowed in each single proposal, and the number of words of a proposal shall be limited to not more than three hundred words.
2. The proposal acceptance period is from 9:00 am on April 7, 2023 to 5:00 pm on April 17, 2023, and has been announced at the Market Observation Post System.
3. The Company did not receive any proposal of shareholders' motion during the acceptance period.

**SIRTEC**