

ENNOSTAR Inc.

2024 Annual General Shareholders' Meeting MINUTES (Translation)

Time: 9:00 a.m. on Friday, May 24, 2024

Place: Gis Hsinchu Science Park Convention Center
(No.1, Gongye E. 2nd Rd., Hsinchu City, Taiwan)

Attendants: All shareholders and their proxy holders, representing 502,856,373 shares (amongst them 250,431,417 shares voted via electronic transmission), or 66.89 % of the total 751,658,083 outstanding shares (1,282,377 non-voting shares have been deducted according to the second paragraph of Section 179 in Company Act).

Board Members Present: Shuang-Lang (Paul) Peng, Chin-Yung Fan, Xiu-Mu Tang, Yu-Chieh Lin, Wei-Min Sheng, Shian-Ho Shen, Wei-Chen Wang, En-Te Hsu and Chun-Hsin Tsou.

Attendees: Tien-Yi Li CPA of PricewaterhouseCoopers, Taiwan, Lee Lin Sheng Attorney

Chairperson : Shuang-Lang (Paul) Peng Chairman Minute Recorder : Po-Yi Chang

I. Chairman announced commencement.

II. Chairman's Address (omitted)

III. Report Items

1. 2023 Business Report. (proposed by the Board)

Explanation:

The 2023 Business Report is attached hereto as Attachment 1 (page 8~11).

(Acknowledged)

2. The Audit Committee's report of the 2023 audited financial report and the communication between independent directors and internal audit officer. (proposed by the Board)

Explanation:

The Audit Committee's Review Report is attached hereto as Attachment 2 (page 12). The communication between independent directors and the internal audit officer is attached hereto as Attachment 3 (page 13).

(Acknowledged)

3. To report 2023 employees' profit sharing and directors' compensation. (proposed by the Board)

Explanation:

Considering the loss in 2023 and pursuant to the Articles of Incorporation, the 2023 employees' profit sharing and directors' compensation will be not distributed. There is also no relative estimated expense in 2023.

(Acknowledged)

4. To report Directors' Remuneration. (proposed by the Board)

Explanation:

(1) Remuneration Policy

i. Variable remuneration

Directors' Remuneration is dispatched no more than 2% of annual profit and authorized by the Board pursuant to Articles of Incorporation that the remuneration of directors is based on the level of participation, the value of contribution to the Company's business operations, and the common remuneration level in the same industry. The Company's board regular self-evaluation scope covers the evaluation of the board as a whole, individual directors, and functional committees, and the evaluation results of his or her performance will be taken into individual director's remuneration.

ii. Fixed remuneration

By considering that independent directors are required to possess work or industrial experience in professional fields, expertise in corporate governance and ESG, and considerable understanding of the Company for them to offer deep insights into the Company's business strategy, and be obviously helpful when judging and performing duty; Also, by considering the laws and regulations impose independent directors for certain responsibilities and obligations while referring to industry standards and benchmark companies in other industries, each director/independent director is paid with a fixed annual salary. If a director also serves as the chair of a functional committee, the weight will be multiplied by a certain percentage.

iii. Attendance subsidy

The attendance of directors and members of functional committees will be subsidized for attendance allowance/transportation subsidies.

(2) Contents and amounts of individual remuneration paid to Directors in 2023 are attached hereto as Attachment 4 (page 14~15).

(Acknowledged)

5. To report on the implementation status of the cash capital increase in a private placement of common shares adopted by the 2022 Annual General Shareholders' Meeting. (proposed by the Board)

Explanation:

(1) The Annual General Shareholders' Meeting on May 31, 2022, resolved to increase capital by issuing 70 million common shares for private placement and the actual private placement price was NT\$51.82 per share. The Company collected the sufficient payment for shares on July 8, 2022. In accordance with the provisions of Article 5 of "Directions for Public Companies Conducting Private Placements of Securities", the Company shall report to the shareholders' meeting.

- (2) Related information is attached hereto as Attachment 5 (page 16~18).
(Acknowledged)

6. To report cash distribution from capital surplus. (proposed by the Board)

Explanation:

- (1) It is proposed to distribute NT\$677,646,414 from the capital surplus of the issuing premium of the par value of the common share pursuant to Article 241 of the Company Act. The distribution will be based on the list of shareholders registered as of the record date of cash distribution of capital surplus. The aforementioned cash distribution will be paid to the rounded-down full NT dollar. The current estimate of cash distribution is NT\$0.9 for each common share based on 752,940,460 shares, the total number of outstanding common shares issued by the Company as of December 31, 2023. The total number of common shares outstanding may change according to the exercise of equity-type securities, the repurchase of the Company's shares, the transfer of treasury shares or other situations and the ultimate amount of cash to be distributed from capital surplus to each common share may need to be adjusted accordingly. It is proposed that the Chairman shall be authorized to adjust the amount of cash distribution per common share based on the total amount resolved by the Board and the number of actual common shares outstanding on the record date for the distribution. The cash distribution from capital surplus is on the premise that the 2023 deficit compensation proposal recognized by this meeting.
- (2) The Chairman was authorized to determine the record date, payment date, and related matters of cash dividend distribution.

(Acknowledged)

7. The accumulated loss of the company reached half of the paid-in capital. (proposed by the Board)

Explanation:

- (1) The paid-in capital was NT\$7,529,405 thousand and accumulated deficit was NT\$6,814,704 thousand as of December 31, 2023. The loss incurred by the Company aggregated to one-half of its paid-in capital. The Board shall make a report to the most recent meeting of shareholders according to Article 211, Paragraph 1 of the "Company Act".
- (2) The loss incurred by the Company aggregated to one-half of its paid-in capital, mainly due to asset impairment, NT\$ 3,475,708 thousand, that the Company recognized in accordance with in accordance with IFRS 36 in 2023. The aforementioned impairment did not lead to actual cash outflows and there was no impact on the working capital and cash flow of the Company.
- (3) The Company has drafted a deficit compensation table and made an recognized proposal to this meeting.

(Acknowledged)

IV. Recognition Items

1. To recognize 2023 Business Report and Financial Statements. (proposed by the Board)

Explanation:

- (1) The 2023 Business Report and Financial Statements that were approved by the Board of Directors' Meeting on February 23, 2024, have been audited by Tien-Yi Li CPA, and Chien-Hung Chou CPA of PricewaterhouseCoopers and reviewed by the Audit Committee. The Audit Committee's report was issued accordingly.
- (2) The 2023 Business Report, Audit Report from the Certified Public Accountant (CPA), and Financial Statements are attached hereto as Attachment 1 (page 8~11) and Attachment 6 (page 19~43).

Voting Results:

Shares represented at the time of voting: 502,856,373

Voting Results		% of the total represented share present
Votes in favor:	482,299,943 votes (230,174,312 votes)	95.91%
Votes against:	220,038 votes (220,038 votes)	0.04%
Votes invalid:	0 votes (0 votes)	0.00%
Votes abstained:	20,336,392 votes (2,037,067 votes)	4.04%

* including votes casted electronically (numbers in brackets)

Resolution:

The above proposal be and hereby was approved as proposed.

2. To recognize 2023 deficit compensation proposal. (proposed by the Board)

Explanation:

- (1) The Company's net loss after tax of 2023 was NT\$6,782,677,847. The accumulated deficit was NT\$6,759,861,335 by considering changes in actuarial gains and losses, disposal of equity instruments at fair value through other comprehensive income, changes in ownership interests in subsidiaries accounted for using the equity method, and reversal of special reserve. It is proposed to offset the losses by legal reserve, special reserve, and capital surplus-additional paid-in capital arising from ordinary shares.
- (2) The Deficit Compensation Table is attached hereto as Attachment 7 (page 44).

Voting Results:

Shares represented at the time of voting: 502,856,373

Voting Results		% of the total represented share present
Votes in favor:	483,019,449 votes (230,893,818 votes)	96.05%
Votes against:	282,145 votes (282,145 votes)	0.05%
Votes invalid:	0 votes (0 votes)	0.00%

Voting Results	% of the total represented share present
Votes abstained: 19,554,779 votes (19,255,454 votes)	3.88%

* including votes casted electronically (numbers in brackets)

Resolution:

The above proposal be and hereby was approved as proposed.

V. Discussion Items

1. To approve the amendments to “Articles of Incorporation.” (proposed by the Board)

Explanation:

(1) Amend reason:

- i. The item of industrial holding company will be added into the scope of business operated by the Company.
- ii. The Company may convene hybrid shareholders' meetings that physical and virtual meetings be held at the same time.
- iii. According to the Securities and Exchange Act, the Company has established the Audit Committee and deleted the rules related to supervisors.

(2) Comparison Table for Amendments is attached hereto as Attachment 8 (page 45~49).

Voting Results:

Shares represented at the time of voting: 502,856,373

Voting Results	% of the total represented share present
Votes in favor: 472,469,673 votes (220,344,042 votes)	93.95%
Votes against: 6,827,070 votes (6,827,070 votes)	1.35%
Votes invalid: 0 votes (0 votes)	0.00%
Votes abstained: 23,559,630 votes (23,260,305 votes)	4.68%

* including votes casted electronically (numbers in brackets)

Resolution:

The above proposal be and hereby was approved as proposed.

2. To approve the amendments to “Rules for the Procedures of the Shareholders’ Meeting” and the “Rules for Elections of Directors and Supervisors.” (proposed by the Board)

Explanation:

(1) Amend reason:

- i. The Company may convene virtual shareholders meeting and voting rights may be exercised in writing or electronically. It is proposed to amend the “Rules for the Procedures of the Shareholders’ Meeting.”
- ii. The Company has established the Audit Committee and deleted the rules for electing supervisors. It is proposed to amend the rules for elections and change the name to “Rules for Elections of Directors.”

(2) Comparison Tables for Amendments are attached hereto as Attachment 9 and 10 (page

50~67).

Voting Results:

Shares represented at the time of voting: 502,856,373

Voting Results		% of the total represented share present
Votes in favor:	472,952,286 votes (220,826,655 votes)	94.05%
Votes against:	6,183,509 votes (6,183,509 votes)	1.22%
Votes invalid:	0 votes (0 votes)	0.00%
Votes abstained:	23,720,578 votes (23,421,253 votes)	4.71%

* including votes casted electronically (numbers in brackets)

Resolution:

The above proposal be and hereby was approved as proposed.

3. To approve the amendments to “Acquisition or Disposal Procedures of Asset”, “Procedures for Loaning Funds to Other Parties”, “Procedures for Endorsements and Guarantees” and the new agreement “Handling Procedures for Conducting Derivatives Transactions.” (proposed by the Board)

Explanation:

(1) Amend reason:

To promote the integration of group resources and platforms, strengthen the group's operational efficiency, the Company integrate the group's four major management methods. The “Handling Procedures for Conducting Derivatives Transactions” will be separated from the “Acquisition or Disposal Procedures of Asset” accordingly.

(2) Comparison Tables for Amendments and the new agreement are attached hereto as Attachment 11 to 14 (page 68~170).

Voting Results:

Shares represented at the time of voting: 502,856,373

Voting Results		% of the total represented share present
Votes in favor:	478,633,422 votes (226,507,791 votes)	95.18%
Votes against:	1,653,008 votes (1,653,008 votes)	0.32%
Votes invalid:	0 votes (0 votes)	0.00%
Votes abstained:	22,569,943 votes (22,270,618 votes)	4.48%

* including votes casted electronically (numbers in brackets)

Resolution:

The above proposal be and hereby was approved as proposed.

4. To release the directors from non-competition restrictions. (proposed by the Board)

Explanation:

- (1) According to Article 209 of “Company Act.”
- (2) It is proposed to approve to release the list of Company’s directors from non-competition restrictions without damaging the interests of the Company. A list of releasing the directors from non-competition restrictions proposed to be approved by the 2024 Annual General Shareholders’ Meeting is attached hereto as Attachment 15 (page 171)

Voting Results:

Shares represented at the time of voting: 502,856,373

Voting Results		% of the total represented share present
Votes in favor:	479,922,964 votes (227,797,333 votes)	95.43%
Votes against:	580,096 votes (580,096 votes)	0.11%
Votes invalid:	0 votes (0 votes)	0.00%
Votes abstained:	22,353,313 votes (22,053,988 votes)	4.44%

* including votes casted electronically (numbers in brackets)

Resolution:

The above proposal be and hereby was approved as proposed.

VI. Extemporary Motions: None.

VII. Other records: There is no question by the shareholders.

VIII.Adjournment : Meeting ended at 9:39 am

Attachment 1

ENNOSTAR Inc. 2023 Business Report

In 2023, ENNOSTAR's operations faced severe challenges due to a variety of factors. The global consumer market demand was affected by inflation, rising interest rates, industrial inventory adjustments, and plummeting customer demand. Additionally, war, geopolitics, and extreme climates also played a role. As a result, the Group's consolidated revenue in 2023 was about NTD 22.31 billion, a decrease of 22.8% from that in 2022; the net operating loss was NTD 4.00 billion. In addition, the Group made a provision of impairment loss for goodwill and idle assets, and recognized profit or loss on reinvestment. The net loss attributable to the parent company's owners in 2023 was NTD 6.78 billion, and the basic loss per share was NTD 9.02. Under the unsatisfactory macroeconomic environment and many challenges in overall operations, the Company actively and effectively manages cash flow and capital expenditures to maintain a healthy financial structure. At the same time, through optimization and integration of the Group organization and reorganization of various reinvestment businesses to improve operating efficiency, will enable the Group to battle with ease and face different challenges in the future.

One Ennostar strengthens resilience and accelerates the development of high-value-added markets

In the future, the Group will accelerate the pace of integration and transformation of the Group, enhance the strength of all-dimensional organizational transformation and strategic deployment, and exert the greatest synergy of the Group. In terms of organizational transformation, we have prioritized the integration of human resource units and financial units of all subsidiaries into the Group. The Company has also been successively promoting factory integration by reviewing the production performance of each factory. First, we will merge and optimize our three manufacturing bases in northern, central, and southern Taiwan, followed by the expansion of factories in Mainland China, and organizing various reinvestment businesses to achieve asset activation and utilization. We hope to "integrate" the "One Ennostar" spirit into the Group's culture and create new values for the Group.

In terms of strategic layout, the Group will have two parallel strategies. The first is to create added value and give full play to the group's advantages. The Group continues to develop products and technologies for automotive, advanced display, and smart sensors based on our

expertise in III-V compound semiconductors, such as gallium arsenide (GaAs), gallium nitride (GaN), indium gallium arsenide (InGaAs) and so on, for optoelectronic products and pursue long-term profits through differentiation. Secondly, in order for the Group's products and technologies to be competitive and meet the needs of different markets, the Group will actively deepen the upstream and downstream integration of the Group, expand the depth of technology, products, and services, and provide customers with one-stop solutions from epitaxy, die, packaging to modules. Effectively exploring new areas expanding revenue and increasing profits.

1. Automotive use

The Group has been deeply involved in the automotive field for many years and has combined the upstream and downstream supply chains to develop automotive lighting, automotive displays, and automotive sensors to present a complete automotive modular solution. Many of its products have been successfully adopted by major international OEMs and Tier 1 automotive suppliers for automotive lighting, ambient lighting, and ADB smart headlights. In recent years, the proportion of automotive revenue has continued to increase. With the development of EV new energy vehicles, the smart cockpit has become the focus of market attention. The immersive driving experience has attracted the attention of related technologies, especially Micro LED with a high penetration rate, high brightness, and flexible application in a small size space. The automotive display industry has greater potential, and the Group is actively cooperating with several customers in the introduction. In addition, vehicle safety has always been a prerequisite for the development of the Group's forward-looking automotive technologies. As the intelligentization of vehicles is increasing day by day, the sensing applications required for vehicles are also increasing, such as Driving Monitoring Systems (DMS), Advanced Driving Assistance System (ADAS), gesture recognition, ranging, and lidar, among other applications, to improve the humanized riding experience and safe road environment.

2. Advanced display

The Group continues to invest in the research and development of advanced display technologies such as Mini LED and Micro LED, and is committed to helping customers improve the visual effect of their products. Currently, we are working closely with customers on a number of advanced display-related projects. Mini LED has now become one of the mainstream high-end display technologies, and new products of various international terminal brands continue to emerge. The Group has been deploying in the development of Micro LED for many years and has not only mastered advanced key technologies, but has also completed the construction of a trial production line. We

constantly promote the development of Micro LED with strategic partners, consolidate industry advantages, and prepare for mass production in the future.

3. Smart sensing

The Group has full-band solutions and industry-leading technical specifications that can be applied to a variety of scenarios, including biological health sensing, medical applications, and 1D/3D ranging for industrial and automotive applications. It has been adopted by many international leading brands. The Group is a leading manufacturer of shortwave infrared SWIR products and technology. SWIR has higher penetration for substances than NIR and is less susceptible to the influence of external light sources. With algorithms, it can achieve more sensing possibilities, such as industrial material analysis, sorting and freshness testing of fruits and vegetables. In addition, based on market trends and needs, the Group will also strengthen the deployment of sensing optical modules, improve the technical and service capabilities of solutions, and provide customers with one-stop procurement services, giving end products diversified possibilities.

4. New areas

In addition to the three major areas, the deployment of new areas is also an important development direction. The Group will start with its own business and combine the profound technical foundation accumulated over the years, the mastery of the optoelectronic product materials of the III-V compound semiconductor, and the advantages of the existing equipment, to actively develop high potential and high value-added fields, such as The development of AI optical communication, solar cells for low-orbit satellites, and other new applications which are continuing to enhance the tolerance of enterprises in the face of market fluctuations and make great strides toward high value-added applications.

ESG creates excellence and enriches the Group's sustainability formula

The world is accelerating its net zero transformation. Since the Group's establishment in 2021, it has clearly expressed its firm commitment to sustainability and excellence. The Group's ESG goals, strategies, and implementations are directly supervised by the Group's Board of Directors, demonstrating the importance and determination of the Group towards ESG. In 2023, the Group and its subsidiaries participated in the Taiwan Corporate Sustainability Awards (TCSA). The Group has won five key awards in the three years since its inception. The award is an affirmation and a reminder that the Group's partners are still working on this arduous and long road of sustainability. It reminds everyone that the road to sustainability is endless and that we must work harder.

In response to the international trends in climate governance and the challenges posed by climate change, the Group has formulated a green power policy, aiming to achieve the goal of RE100 in non-production areas by 2030, and RE100 by the whole group by 2050; having signed on to the commitments of the “Task Force on Climate-related Financial Disclosures” (TCFD) and the “Science Based Targets initiative” (SBTi), we are eager to adopt climate actions showing our determination to move towards net zero.

In addition, in order to become an accelerator for customers’ net zero carbon emissions and drive the sustainable growth of related suppliers, the Group also exerted its industry appeal and held annual supplier sustainability meetings for its subsidiaries to guide suppliers to building greenhouse gases inventory capability with its own sustainability experience. We have announced the absolute 20% carbon reduction and sustainability goal by 2030 striving to build a low-carbon supply chain.

The synergy of the Group’s cooperation to become a full-scale optoelectronic integrated solution provider

The global situation is changing rapidly. Only by properly adjusting its internal constitution can the entire organization maintain the agility to respond flexibly. Looking forward to 2024, we will accelerate the pace of group integration and transformation, continue to revitalize our assets, promote R&D technology and investment strategies with the greatest strength, accelerate the development of “three plus one” high value-added areas, and continue to expand into new areas and markets. The Group will bring its strong R&D capabilities and the synergy of its collaboration to become a provider of comprehensive optoelectronic integrated solutions. We will continue to work with all employees to create positive benefits for all stakeholders and jointly embrace the next peak growth for the Group.

Chairman Shuang-Lang (Paul) Peng

President Shuang-Lang (Paul) Peng

Accounting Supervisor Po-Yi Chang

Attachment 2

Audit Committee's Review Report

To: ENNOSTAR Inc. Annual General Shareholders' Meeting of 2024

With respect to the Company's 2023 Business Report, Financial Statements, and Deficit Compensation Proposal, Tien-Yi Li CPA, and Chien-Hung Chou CPA of PricewaterhouseCoopers have also audited the financial statements and issued the auditors' report. The Business Report, Financial Statements and Deficit Compensation Proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of ENNOSTAR Inc. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit the report.

ENNOSTAR Inc.

Chairman of the Audit Committee: Mr. Wei-Min Sheng

Date: February 22, 2024

Attachment 3

ENNOSTAR Inc.

The communication between independent directors and internal audit officer

Date	Nature of meeting	Attendants	Communication focus	Communication results / handling situation
2023.02.23	The Audit Committee	Independent Director: Wei-Min Sheng Independent Director: Sen-Tai Wen Independent Director: Chi-Yen Liang Independent Director: Shian-Ho Shen Independent Director: Wei-Chen Wang	1. The Internal Audit Execution Report for the fourth quarter of 2022 2. Statement of Internal Control System for 2022 3. Independent directors have separate discussions and communication. (1) Amendments and clarifications to " Regulations Governing Establishment of Internal Control Systems by Public Companies" (2) The internal audit answered the questions raised by the independent directors	No opinion
2023.05.04	The Audit Committee	Independent Director: Wei-Min Sheng Independent Director: Sen-Tai Wen Independent Director: Chi-Yen Liang Independent Director: Shian-Ho Shen Independent Director: Wei-Chen Wang	1. The Internal Audit Execution Report for 2022 2. The Internal Audit Execution Report for the first quarter of 2023	No opinion
2023.08.03	The Audit Committee	Independent Director: Wei-Min Sheng Independent Director: Shian-Ho Shen Independent Director: Wei-Chen Wang Independent Director: En-Te Hsu Independent Director: Chun-Hsin Tsou	1. The Internal Audit Execution Report for 2022 2. The Internal Audit Execution Report for the second quarter of 2023 3. Proposal for consignment management of administrative affairs of the Auditing Office 4. Independent directors and audit officer have separate discussions and communication (1) The internal audit answered the questions raised by the independent directors	No opinion Submit to the Audit Committee and the Board of Directors for approval
2023.11.02	The Audit Committee	Independent Director: Wei-Min Sheng Independent Director: Shian-Ho Shen Independent Director: Wei-Chen Wang Independent Director: En-Te Hsu Independent Director: Chun-Hsin Tsou	1. The Internal Audit Execution Report for the third quarter of 2023 2. 2024 Annual Audit Plan	No opinion No opinion Submit to the Audit Committee and the Board of Directors for approval

Attachment 4

ENNOSTAR Inc. Remuneration Paid to Directors

NT\$ thousand

Title	Name	Director Remuneration								Total of the Four Items (A+B+C+D) as a% of Net Income after tax		Compensation for serving as employee concurrently								Total of the Seven Items (A+B+C+D+E+F+G) as a% of Net Income after tax		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		Compensation (A)		Pension (B)		Compensation to Directors (C)		Expenses of conducting business (D)				Base Compensation, Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employee remunerations (G)						
		The Company	All consolidated entitist	The Company	All consolidated entitist	The Company	All consolidated entitist	The Company	All consolidated entitist	The Company	All consolidated entitist	The Company	All consolidated entitist	The Company	All consolidated entitist	The Company		All consolidated entitiest		The Company	All consolidated entitist	
																Cash	Share	Cash	Share			
Chairman	Shuan-Lang Peng (Note:3)	1,479	1,479	0	0	0	0	60	60	1,539	1,539	6,370	6,370	0	0	0	0	0	0	7,909 -0.12%	7,909 -0.12%	
Director	Chin-Yung Fan	1,000	1,000	0	0	0	0	60	60	1,060	1,060	0	11,968	0	199	0	0	0	0	1,060 -0.02%	13,227 -0.20%	
Director	Xiu-Mu Tang (Note:3)	585	585	0	0	0	0	40	40	625	625	0	9,410	0	45	0	0	0	0	625 -0.01%	10,080 -0.15%	10
Director	AU Optronics Corp	1,000	1,000	0	0	0	0	0	0	1,000	1,000	0	0	0	0	0	0	0	0	1,000 -0.01%	1,000 -0.01%	
	Representative: Yu-Chieh Lin	0	0	0	0	0	0	40	40	40	40	0	0	0	0	0	0	0	0	40 0%	40 0%	
Independent Director	Wei-Min Sheng	1,216	1,216	0	0	0	0	60	60	1,276	1,276	0	0	0	0	0	0	0	0	1,276 -0.02%	1,276 -0.02%	
Independent Director	Hsien-He Sheng	1,175	1,175	0	0	0	0	60	60	1,235	1,235	0	0	0	0	0	0	0	0	1,235 -0.02%	1,235 -0.02%	
Independent Director	Wei-Cheng Wang	1,132	1,132	0	0	0	0	60	60	1,192	1,192	0	0	0	0	0	0	0	0	1,192 -0.02%	1,192 -0.02%	
Independent Director	En-Te Hsu	676	676	0	0	0	0	40	40	716	716	0	0	0	0	0	0	0	0	716 -0.01%	716 -0.01%	
Independent Director	Chun-Hsin Tsou	660	660	0	0	0	0	40	40	700	700	0	0	0	0	0	0	0	0	700 -0.01%	700 -0.01%	
Chairman	Biing-Jye Lee (Note:3、4)	1,037	1,037	0	0	0	0	20	20	1,057	1,057	8,520	9,115	3,537	3,537	0	0	0	0	13,114 -0.19%	13,709 -0.20%	194
Director	Feng Cheng Su (Note:3、4)	415	415	0	0	0	0	20	20	435	435	0	6,956	0	16,508	0	0	0	0	435 -0.01%	23,899 -0.35%	

Title	Name	Director Remuneration								Total of the Four Items (A+B+C+D) as a% of Net Income after tax		Compensation for serving as employee concurrently								Total of the Seven Items (A+B+C+D+E+F+G) as a% of Net Income after tax		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		Compensation (A)		Pension (B)		Compensation to Directors (C)		Expenses of conducting business (D)				Base Compensation , Bonuses, and Allowances (E)		Severance Pay and Pensions (F)		Employee remunerations (G)						
		The Company	All consolidated entitest	The Company	All consolidated entitest	The Company	All consolidated entitest	The Company	All consolidated entitest	The Company	All consolidated entitest	The Company	All consolidated entitest	The Company	All consolidated entitest	The Company		All consolidated entitiest		The Company	All consolidated entitest	
		Cash	Share	Cash	Share	Cash	Share	Cash	Share	Cash	Share	Cash	Share	Cash	Share	Cash	Share	Cash	Share			
Independent Director	Ji-Yen Liang (Note:4)	456	456	0	0	0	0	20	20	476	476	0	0	0	0	0	0	0	0	476 -0.01%	476 -0.01%	
Independent Director	Sheng-Tai Weng (Note:4)	498	498	0	0	0	0	20	20	518	518	0	0	0	0	0	0	0	0	518 -0.01%	518 -0.01%	
Note 1: Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid: The remuneration to directors of the Company is distributed by the Board of Directors under the authorization of the Articles of Incorporation based on directors' degree of participation in the Company's operation and contribution and with reference to the payment level of its peers. When the Company records a profit, the Board of Directors shall determine the remuneration to directors by a resolution in accordance with the Articles of Incorporation. Independent Directors are the members of functional committees, so, apart from the general remuneration to directors, additional reasonable compensation in various amounts is allotted depending on their duties and risks undertaken and time invested Note 2: In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities /invested enterprises): None. Note 3: Mr. Biing-Jye Lee retired as the Company's Chairman and President on May 31, 2023, and Mr. Shuang-Lang Peng took over. Mr. Feng Cheng Su retired from Lextar Electronics Corporation, and Mr. Xiu-Mu Tang took over as the Chairman of Lextar Electronics Corporation. Note 4: Resigned from duties after the re-election held on May 31, 2023.																						

Attachment 5

ENNOSTAR Inc. Securities by way of Private Placement in 2022

Item	2022 First private placement of common stock The issue date was August 31, 2022 (delivery date).
Types of Securities privately placed	Common shares
Approval date and number of shares	Approval date: May 31, 2022 Number of shares : Within the limit of 70,000 thousand shares
The Pricing Basis and Reasonableness	1. The price for issuing ordinary shares in the Proposed Private Placement was set to be the price determined by the following calculation, whichever is higher. The reference price was NTD 57.57. (1) The simple arithmetical average closing price of the ordinary shares of the Company on any of the first, third or fifth trading days prior to the pricing date, after deducting the value of bonus shares issued as stock dividends and cash dividends, and adding back the value of the shares canceled in connection with capital reduction. These prices were NTD 49.45, NTD 50.38, and NTD 50.51. The average closing price, NTD 50.51, of the fifth trading day prior to the pricing date was considered the basis price. (2) The simple arithmetical average closing price, NTD 57.57, of the ordinary shares of the Company for thirty trading days prior to the pricing date, after deducting the value of bonus shares issued as stock dividends and cash dividends, and adding back the value of shares canceled in connection with capital reduction was considered as the basis price. 2. The price for issuing ordinary shares in the Proposed Private Placement shall not be lower than 80% of the reference price. The actual private placement price, NTD 51.82, was 90% of the reference price abiding by the resolution of the shareholder's meeting.

	3. The subscription price of this private placement should be reasonable based on the company's future prospects, the fact that the timing, counterparties, and quantity of private placement securities are strictly limited, no retrospective public offering within three years, poor liquidity, and other factors. It would have no significant influence on the rights and benefits of shareholders.				
The Method for Selecting Investors	The selection method is to have a good understanding of the Company's operation, and industrial development and directly or indirectly to contribute benefit to the future operation of the Company.				
Necessity and of Private Placement	If the strategic partners purchase the Company's shares from the market, this action could not ease the Group's capital needs produced by the CAPEX for factory construction and production equipment. If the Company adopts public placement, the Company should observe shares for employees and public subscription in accordance with Article 267 of the Company Act and Article 28-1 of the Securities and Exchange Act. In addition, if the shares of subscription reach 10% of total issued shares, the Company should lift the amount of cash capital increase to overly exaggerate capital and ask existing shareholders to waive the subscription rights to allow the specific counterparties to subscribe. The uncertainty goes higher. In contrast to public placement, the fact that private placement of common stock has the advantage of quick and easy fundraising and the restriction of non-transferability within three years will further ensure the long-term collaboration between the Company and the counterparties, as well as the confidentiality of technology patents. Therefore, financing through this private placement could increase the flexibility of funding sources.				
The date of receiving the fund	The total raised fund was NTD 3,627,400 thousand on July 8 th , 2022.				
Specific subscribers	Subscriber	Qualification	Subscription amount	Relation	Participation in the Company's operation
	AUO Corporation	In accordance with the article 43-6, Paragraph 1, subparagraph 3.	67,250 thousand shares	Director of the Company	To integrate the industry chain and to assure long-term cooperation and confidentiality of technology.
	INNOLUX	In accordance with	2,750	None	None

	Corporation	the article 43-6, Paragraph 1, subparagraph 3.	thousand shares		
Actual private placement price	NTD 51.82				
The difference between the actual private placement price and the reference price	The actual price was NTD 51.82 equivalent to 90% of the reference price of NTD 57.57 in accordance with the resolution of shareholders' meeting.				
Impact on the rights and interests of the Company's shareholders	The issuance number of private equity ordinary shares was 70,000 thousand ordinary shares, approximately 9.27% of the equity after the capital increase.				
The plan and execution of private placement application	Our company will use all of its privately raised funds to fund the capital increase of EPISTAR Corporation, its 100%-owned subsidiary (henceforth referred to as EPISTAR). The capital increase funds raised will be used by EPISTAR solely for the Micro LED. 6-inch wafer fabrication facility, the purchase of crystallite and epitaxy process equipment, and other project expenditures. Our company had raised NT\$1 billion in capital of Epitaxy as of December 31, 2023, with EPISTAR spending NT\$956,126 thousand on the abovementioned funds.				
Benefits after private placement	War, inflation, rising interest rates, adjustments to industrial inventories, and drastic drops in customer demand have all had an impact on the global consumer market demand. Our company has had to make a minor adjustment to the rate of production capacity construction due to a slight delay in the development of Micro LED technology and the market demand schedule. The ultimate objective of completing micro LED mass production will remain unaltered.				

Attachment 6

Report of independent accountants translated from Chinese.
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INDEPENDENT AUDITORS' REPORT

PWCR23000379

To the Board of Directors and Shareholders of ENNOSTAR Inc.

Opinion

We have audited the accompanying consolidated balance sheets of ENNOSTAR Inc. and subsidiaries (the “Group”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other independent auditors, as described in the other matters section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

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

Key audit matters in relation to the consolidated financial statements for the year ended December 31, 2023 are outlined as follows:

Evaluation of Inventories

Description

Please refer to Note 4(14) of the consolidated financial statements for the accounting policy on inventory valuation, Note 5(2) for the accounting estimates and assumptions in relation to inventory valuation, Note 6(6) for the explanations regarding inventory valuation. As of December 31, 2023, the balances of inventories and the allowance for valuation loss were NT\$4,954,577 thousand and NT\$738,085 thousand, respectively.

The Group is primarily engaged in manufacturing and sales of LED wafers, chips, packages and modules. Due to rapid technological developments, short product lifespans and frequent fluctuations of market prices, the risk of decline in market value and obsolescence for inventories is high. The Group evaluates net realized values for inventories which aged over a specific period of time and specific obsolete inventories in order to provide allowance for valuation loss. Since the identification of the above obsolete inventories and their respective net realizable values are subject to management's judgment, it was identified as one of the key audit matters.

How our audit addressed the matter

Our key audit procedures performed in respect of the above included the following:

1. Obtained an understanding of the Group's operations and the nature of its industry and interviewed with management to understand the probability of future sales for those out-of-date inventories and to evaluate the reasonableness of allowance for valuation loss.
2. Obtained and validated the accuracy of the detailed listings of inventories aged over a specific period of time and specific obsolete inventories. Validated information of historical sales and discounts for those obsolete inventories to assess the reasonableness of policies in providing allowance for inventory valuation loss.

Impairment assessment of property, plant and equipment and goodwill

Description

Please refer to Note 4(21) of the consolidated financial statements for the accounting policy on impairment of non-financial assets, Note 5(2) for the accounting estimates and assumptions in relation to non-financial assets valuation, Note 6(11) for the explanations regarding non-financial assets impairment. The subsidiary of the Company, Epistar Corporation, and its subsidiaries measure the recoverable amounts of idle property, plant, and equipment at fair value less disposal costs; while operating property, plant, and equipment, as well as goodwill, are assessed at their in-use values. Epistar Corporation and its subsidiaries evaluate impairment of property, plant, and equipment, as well as goodwill, based on the aforementioned recoverable amounts. The assessment of the in-use value of property, plant, and equipment, as well as goodwill, involves estimating future cash flows and determining discount rates. The assumptions used in forecasting future cash flows and their estimated results have a significant impact on the assessment of the in-use value of property, plant, and equipment, as well as goodwill. Therefore, we consider this a key audit matter.

How our audit addressed the matter

We obtained an external expert appraisal report provided by the subsidiary, Epistar Corporation, and its subsidiaries, for the idle property, plant, and equipment. We assessed the valuation method used by the expert and the reasonableness of the fair value. Additionally, for the recoverable amounts of operating property, plant, and equipment, as well as goodwill, the main procedures performed are outlined as follows:

1. Discussing with management to understand the subsidiary, Epistar Corporation, and its subsidiaries' process for estimating future cash flows, and comparing future cash flows with the operational plan approved by the board of directors for consistency.
2. Discussing the operational plan with management to understand its product strategy and execution status.
3. Assessing the reasonableness of the assumptions used by management to estimate future cash flows, including expected growth rates and gross profit margins. Also, evaluating the reasonableness of discount rate parameters, including the risk-free rate of return used in calculating the cost of equity capital, industry risk coefficients, and long-term market returns.

Other matter – Audit by Other Independent Auditors

We did not audit the financial statements of certain consolidated subsidiaries. Those financial statements were audited by other independent auditors, whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements and the information on the consolidated subsidiaries disclosed in

Note 13 was based solely on the reports of other independent auditors. Total assets of those consolidated subsidiaries amounted to NT\$258,619 thousand and NT\$268,634 thousand, constituting 0.40% and 0.37% of the consolidated total assets as at December 31, 2023 and 2022, respectively, and total operating revenues were both NT\$0 thousand for the years then ended, constituting 0% of the consolidated total operating revenues as at December 31, 2023 and 2022, respectively. Furthermore, we did not audit the 2023 and 2022 financial statements of certain equity investments accounted for using equity method. Those financial statements were audited by other independent auditors whose reports thereon were furnished to us and our opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements and certain information disclosed in Note 13 relative to these investments, is based solely on the reports of the other independent auditors. These equity investments amounted to NT\$2,372,148 thousand and NT\$1,781,200 thousand, representing 3.70% and 2.44% of the consolidated total assets as of December 31, 2023 and 2022, respectively, and their comprehensive loss (including share of loss of associates and joint ventures accounted for using equity method and share of other comprehensive (loss)/income of associates and joint ventures accounted for using equity method) amounted to NT\$280,066 thousand and NT\$144,437 thousand, representing 3.69% and 40.08% of the consolidated comprehensive income (loss) for the years then ended.

Other matter – Parent company only financial reports

We have also expressed an unmodified opinion on the parent company only financial statements of ENNOSTAR Inc. as at and for the years ended December 31, 2023 and 2022.

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial

statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Li, Tien-Yi

Chou, Chien-Hung

For and on behalf of PricewaterhouseCoopers, Taiwan

February 23, 2024

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

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	\$ 15,563,488	24	\$ 16,127,132	22
1110	Financial assets at fair value through profit or loss - current	6(2)	202,446	-	164,066	-
1136	Current financial assets at amortised cost	6(4) and 8	914,438	2	647,408	1
1150	Notes receivable, net	6(5) and 8	758,666	1	1,872,810	3
1160	Notes receivable due from related parties, net	7	-	-	10,285	-
1170	Accounts receivable, net	6(5)	7,672,028	12	7,544,597	10
1180	Accounts receivable - related parties, net	7	468,607	1	425,969	1
1200	Other receivables		145,536	-	127,695	-
1210	Other receivables - related parties	7	26,399	-	135,418	-
130X	Inventories	6(6)	4,216,492	7	4,825,045	7
1410	Prepayments		564,590	1	761,976	1
1460	Non-current assets held for sale - net	6(12)	94,800	-	-	-
1470	Other current assets		49,026	-	20,627	-
11XX	Current Assets		<u>30,676,516</u>	<u>48</u>	<u>32,663,028</u>	<u>45</u>
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2)	-	-	90,007	-
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	4,198,539	6	4,445,317	6
1535	Non-current financial assets at amortised cost	6(4) and 8	241,961	-	180,137	-
1550	Investments accounted for using equity method	6(7)	3,300,127	5	3,608,999	5
1600	Property, plant and equipment	6(8) and 8	19,464,972	30	22,037,075	30
1755	Right-of-use assets	6(9)	1,671,302	3	1,905,157	3
1760	Investment property, net		646,803	1	692,498	1
1780	Intangible assets	6(10)	1,640,602	3	4,907,583	7
1840	Deferred income tax assets	6(34)	1,827,341	3	1,717,418	2
1900	Other non-current assets		434,299	1	796,251	1
15XX	Non-current assets		<u>33,425,946</u>	<u>52</u>	<u>40,380,442</u>	<u>55</u>
1XXX	Total assets		<u>\$ 64,102,462</u>	<u>100</u>	<u>\$ 73,043,470</u>	<u>100</u>

(Continued)

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(13) and 8	\$ 747,136	1	\$ 1,203,495	2
2110	Short-term notes and bills payable	6(15) and 8	1,295,140	2	775,294	1
2120	Financial liabilities at fair value through profit or loss - current	6(14)	2,284	-	2,214	-
2150	Notes payable		1,805	-	243,332	-
2170	Accounts payable		2,692,899	4	2,195,394	3
2180	Accounts payable - related parties	7	162,909	-	266,478	-
2200	Other payables	6(16) and 7	3,810,923	6	4,619,754	6
2230	Current tax liabilities		27,561	-	30,804	-
2280	Current lease liabilities		93,481	-	108,817	-
2320	Long-term liabilities, current portion	6(17) and 8	1,789,423	3	426,518	1
2399	Other current liabilities - others		298,972	1	440,276	1
21XX	Current Liabilities		10,922,533	17	10,312,376	14
Non-current liabilities						
2540	Long-term borrowings	6(17) and 8	1,934,187	3	3,691,498	5
2570	Deferred tax liabilities	6(34)	462,941	1	421,272	-
2580	Non-current lease liabilities		1,409,803	2	1,476,370	2
2600	Other non-current liabilities	6(20)	228,262	-	480,958	1
25XX	Non-current liabilities		4,035,193	6	6,070,098	8
2XXX	Total Liabilities		14,957,726	23	16,382,474	22
Equity attributable to owners of parent company						
Share capital						
3110	Share capital - common stock	6(21)	7,529,405	12	7,547,840	11
Capital surplus						
3200	Capital surplus	6(22)	46,447,060	73	46,421,664	64
Retained earnings						
3310	Legal reserve	6(23)	216,945	-	216,945	-
3320	Special reserve		154,927	-	290,598	-
3350	Unappropriated retained earnings (Accumulated deficit)		(6,814,704)	(11)	147,022	-
Other equity interest						
3400	Other equity interest	6(24)	(24,296)	-	75,010	-
3500	Treasury shares	6(21)	(135,163)	-	(294,810)	-
31XX	Equity attributable to owners of the parent		47,374,174	74	54,404,269	75
36XX	Non-controlling interest		1,770,562	3	2,256,727	3
3XXX	Total equity		49,144,736	77	56,660,996	78
Significant contingent liabilities and unrecognized contract commitments						
3X2X	Total liabilities and equity	9	\$ 64,102,462	100	\$ 73,043,470	100

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

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for (loss) earnings per share amounts)

			Year ended December 31			
			2023		2022	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Sales revenue	6(25) and 7	\$	22,305,680	100	\$ 28,878,250	100
5000 Operating costs	6(6) and 7	(	21,137,938)	(95)	(23,896,688)	(83)
5900 Operating margin			1,167,742	5	4,981,562	17
5910 Unrealized loss from sales			13	-	26	-
5920 Realized profit from sales		(	26)	-	(41)	-
5950 Net operating margin			1,167,729	5	4,981,547	17
Operating expenses	6(31)(32)					
6100 Selling expenses		(	903,897)	(4)	(883,849)	(3)
6200 General and administrative expenses		(	1,733,109)	(8)	(1,985,724)	(7)
6300 Research and development expenses		(	2,587,406)	(11)	(2,723,055)	(9)
6450 Expected credit profit			25,099	-	58,783	-
6000 Total operating expenses		(	5,199,313)	(23)	(5,533,845)	(19)
6500 Other income and expenses - net	6(26)		30,306	-	86,700	-
6900 Operating loss		(	4,001,278)	(18)	(465,598)	(2)
Non-operating income and expenses						
7100 Interest income	6(27)		239,579	1	104,600	-
7010 Other income	6(28)		527,160	2	515,509	2
7020 Other gains and losses	6(29) and 7	(	3,404,294)	(15)	217,015	1
7050 Finance costs	6(30)	(	191,944)	(1)	(131,602)	-
7055 Expected credit losses		(	6,308)	-	(9,807)	-
7060 Share of loss of associates and joint ventures accounted for using equity method	6(7)	(	547,914)	(2)	(713,585)	(3)
7000 Total non-operating income and expenses		(	3,383,721)	(15)	(17,870)	-
7900 Loss before income tax		(	7,384,999)	(33)	(483,468)	(2)
7950 Income tax benefit (expense)	6(33)		62,267	-	(82,915)	-
8200 Loss for the year		(\$	7,322,732)	(33)	(\$ 566,383)	(2)

(Continued)

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for (loss) earnings per share amounts)

				Year ended December 31			
				2023		2022	
Items		Notes		AMOUNT	%	AMOUNT	%
Other comprehensive income (loss)							
Components of other comprehensive income that will not be reclassified to profit or loss							
8311	Gain on remeasurements of defined benefit plans			\$ 8,810	-	\$ 19,277	-
8316	Unrealised gain (loss) from investments in equity instruments measured at fair value through other comprehensive income	6(3)		18,530	-	(244,257)	(1)
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income (loss) that will not be reclassified to profit or loss	6(7)		6,998	-	(6,876)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(7)(33)		(42,586)	-	(39,989)	-
8310	Components of other comprehensive loss that will not be reclassified to profit or loss			(8,248)	-	(271,845)	(1)
Components of other comprehensive income that will be reclassified to profit or loss							
8361	Cumulative translation differences of foreign operations			(324,342)	(1)	175,385	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(7)		56,558	-	302,943	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(7)(33)		6,262	-	(428)	-
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss			(261,522)	(1)	477,900	2
8300	Other comprehensive (loss) income			<u>(\$ 269,770)</u>	<u>(1)</u>	<u>\$ 206,055</u>	<u>1</u>
8500	Total comprehensive loss			<u>(\$ 7,592,502)</u>	<u>(34)</u>	<u>(\$ 360,328)</u>	<u>(1)</u>
Profit (loss) attributable to:							
8610	Equity holders of the parent company			<u>(\$ 6,782,678)</u>	<u>(31)</u>	<u>\$ 38,024</u>	<u>-</u>
8620	Non-controlling interest			<u>(\$ 540,054)</u>	<u>(2)</u>	<u>(\$ 604,407)</u>	<u>(2)</u>
Comprehensive income (loss) attributable to:							
8710	Equity holders of the parent company			<u>(\$ 7,036,568)</u>	<u>(32)</u>	<u>\$ 207,398</u>	<u>1</u>
8720	Non-controlling interest			<u>(\$ 555,934)</u>	<u>(2)</u>	<u>(\$ 567,726)</u>	<u>(2)</u>
(Loss) earnings per share (NT\$)							
9750	Total basic (loss) earnings per share	6(34)		<u>(\$ 9.02)</u>		<u>\$ 0.05</u>	
9850	Total diluted (loss) earnings per share	6(34)		<u>(\$ 9.02)</u>		<u>\$ 0.05</u>	

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

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Equity attributable to owners of the parent											
	Retained Earnings					Other equity interest					
					Unappropriated retained earnings (accumulated deficit)	Cumulative translation differences of foreign operations	Unrealised gain (loss) from financial assets measured at fair value through other comprehensive income	Treasury Shares	Total	Non-controlling interest	Total equity
Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve							
2022											
Balance at January 1, 2022	\$ 6,852,514	\$ 43,830,638	\$ -	\$ -	\$ 2,169,446	(\$ 406,535)	\$ 170,992	(\$ 294,810)	\$ 52,322,245	\$ 2,282,798	\$ 54,605,043
Profit (loss) for the year	-	-	-	-	38,024	-	-	-	38,024	(604,407)	(566,383)
Other comprehensive income(loss) for the year	-	-	-	-	19,477	442,615	(292,718)	-	169,374	36,681	206,055
Total comprehensive income(loss)	-	-	-	-	57,501	442,615	(292,718)	-	207,398	(567,726)	(360,328)
Appropriation of 2021 earnings	6(23)										
Legal reserve	-	-	216,945	-	(216,945)	-	-	-	-	-	-
Special reserve	-	-	-	290,598	(290,598)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(1,365,881)	-	-	-	(1,365,881)	-	(1,365,881)
Proceeds from issuance of share capital	700,000	2,927,400	-	-	-	-	-	-	3,627,400	-	3,627,400
Changes in ownership interests in subsidiaries accounted for using equity method	6(22)	-	(257,645)	-	-	-	-	-	(257,645)	-	(257,645)
Net change in equity of associates and joint ventures	6(22)	-	104,634	-	-	-	-	-	104,634	-	104,634
Difference between consideration and carrying amount of subsidiaries acquired and disposed	6(24)	-	(188,037)	-	(45,848)	3	-	-	(233,882)	-	(233,882)
Non-controlling interests	-	-	-	-	-	-	-	-	-	541,655	541,655
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(24)	-	-	-	(160,653)	-	160,653	-	-	-	-
Expiration of restricted employee stock	6(22)	(4,674)	4,674	-	-	-	-	-	-	-	-
Balance at December 31, 2022	\$ 7,547,840	\$ 46,421,664	\$ 216,945	\$ 290,598	\$ 147,022	\$ 36,083	\$ 38,927	(\$ 294,810)	\$ 54,404,269	\$ 2,256,727	\$ 56,660,996
2023											
Balance at January 1, 2023	\$ 7,547,840	\$ 46,421,664	\$ 216,945	\$ 290,598	\$ 147,022	\$ 36,083	\$ 38,927	(\$ 294,810)	\$ 54,404,269	\$ 2,256,727	\$ 56,660,996
Loss for the year	-	-	-	-	(6,782,678)	-	-	-	(6,782,678)	(540,054)	(7,322,732)
Other comprehensive income (loss) for the year	-	-	-	-	6,604	(244,829)	(15,665)	-	(253,890)	(15,880)	(269,770)
Total comprehensive income (loss)	-	-	-	-	(6,776,074)	(244,829)	(15,665)	-	(7,036,568)	(555,934)	(7,592,502)
Appropriation of 2022 earnings	6(23)										
Reversal of special reserve	-	-	-	(135,671)	135,671	-	-	-	-	-	-
Decrease in treasury shares	(18,435)	(141,212)	-	-	-	-	-	159,647	-	-	-
Changes in ownership interests in subsidiaries accounted for using equity method	6(22)	-	87,548	-	(160,135)	-	-	-	(72,587)	-	(72,587)
Net change in equity of associates and joint ventures	6(22)	-	59,445	-	-	-	-	-	59,445	-	59,445
Difference between consideration and carrying amount of subsidiaries acquired and disposed	6(22)	-	19,564	-	-	-	-	-	19,564	-	19,564
Employee stock ownership trust cancellation return	6(22)	-	51	-	-	-	-	-	51	-	51
Non-controlling interests	-	-	-	-	-	-	-	-	-	69,769	69,769
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(24)	-	-	-	(161,188)	-	161,188	-	-	-	-
Balance at December 31, 2023	\$ 7,529,405	\$ 46,447,060	\$ 216,945	\$ 154,927	(\$ 6,814,704)	(\$ 208,746)	\$ 184,450	(\$ 135,163)	\$ 47,374,174	\$ 1,770,562	\$ 49,144,736

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

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(\$ 7,384,999)	(\$ 483,468)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(31)	4,594,692	4,952,508
Amortization	6(10)(31)	245,742	257,757
Reversal of expected credit profit		(18,791)	(48,976)
Gain on disposal of investments	6(29)	(31,717)	(72,090)
Net (gain) loss on financial assets at fair value through profit or loss	6(29)	(16,196)	285,929
Interest expense	6(30)	191,944	131,602
Interest income	6(27)	(239,579)	(104,600)
Dividend revenue	6(28)	(43,497)	(44,296)
Compensation cost of share-based payment		3,003	-
Share of loss of associates and joint ventures accounted for using equity method	6(7)	547,914	713,585
Gain on disposal of property, plant and equipment	6(29)	(164,017)	(42,014)
Impairment loss of financial assets		2,500	-
Impairment loss on non-financial assets	6(11)(29)	3,475,708	13,312
Gain from lease modification		(915)	-
Expenses transferred to intangible assets		(3,755)	-
Property, plant and equipment transferred to expense		(30,273)	2,827
(Gain) loss on disposal of intangible assets	6(29)	(74,594)	2,932
Unrealized profit from sales		(13)	(26)
Realized loss from sales		26	41
Other income from recognition of long-term deferred revenues	6(20)	(45,825)	(77,630)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		26,660	(146,522)
Notes receivable		1,237,087	(273,957)
Accounts receivable		(91,011)	4,888,612
Other receivables		166,428	(4,911)
Inventories		661,953	867,140
Prepayments		66,118	809,993
Other current assets		(27,808)	16,145
Other non-current assets		-	43,498
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss - current		(55,707)	(131,956)
Accounts payable		90,475	(2,253,017)
Notes payable		(1,127)	55,616
Other payables		(575,309)	(1,180,492)
Other current liabilities		(127,044)	(257,961)
Other non-current liabilities		(28,110)	(30,366)
Cash inflow generated from operations		2,349,963	7,889,215
Interest received		218,663	86,565
Dividend received		38,497	78,641
Interest paid		(168,683)	(41,226)
Income tax paid		(58,885)	(54,153)
Net cash flows from operating activities		2,379,555	7,959,042

(Continued)

ENNOSTAR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		\$ -	(\$ 188,173)
Proceeds from disposal of financial assets at fair value through other comprehensive income		269,948	186,823
Increase in current financial assets at amortised cost		(343,498)	(433,127)
Proceeds from disposal of financial assets at fair value through profit or loss		128,383	-
Acquisition of investments accounted for using equity method		(297,778)	(365,338)
Proceeds from disposal of investments accounted for using equity method	6(35)	90,387	88,100
Acquisition of property, plant and equipment	6(35)	(2,033,835)	(4,320,230)
Proceeds from disposal of property, plant and equipment	6(35)	182,775	389,592
Decrease (increase) in refundable deposits		23,410	(49,462)
Acquisition of intangible assets	6(35)	(174,161)	(130,200)
Proceeds from disposal of intangible assets		-	6,089
Decrease in other financial assets		17	391,869
Increase in other non-current assets		(5,912)	-
Increase (decrease) in changes of consolidated entities		26,247	(275,343)
Net cash flows used in investing activities		(2,134,017)	(4,699,400)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term loans	6(36)	(527,091)	(2,295,709)
Increase (decrease) in short-term notes and bill payable	6(36)	296,208	(112,938)
Proceeds from long-term loans	6(36)	593,000	12,760
Repayment of long-term loans	6(36)	(987,406)	(33,909)
Decrease in guarantee deposits received	6(36)	(24,676)	(108,264)
Repayment of principal portion of lease liabilities	6(36)	(117,879)	(127,584)
Cash dividends paid	6(24)	-	(1,365,881)
Proceeds from issuance of share capital		-	3,627,400
Employee Stock Ownership Trust cancellation return		985	-
Change in non-controlling interests		1,700	700,000
Net cash flows (used in) from financing activities		(765,159)	295,875
Effects of foreign currency exchange		(44,023)	235,576
Net (decrease) increase in cash and cash equivalents		(563,644)	3,791,093
Cash and cash equivalents at beginning of year		16,127,132	12,336,039
Cash and cash equivalents at end of year		\$ 15,563,488	\$ 16,127,132

INDEPENDENT AUDITORS' REPORT

PWCR23000391

To the Board of Directors and Shareholders of ENNOSTAR Inc.

Opinion

We have audited the accompanying parent company only balance sheets of ENNOSTAR Inc. (the “Company”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other independent auditors, as described in the other matters section of our report, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated only 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 audit in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the parent company only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance

with the these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matters in relation to the parent company only financial statements for the year ended December 31, 2023 are outlined as follows:

Investments accounted for using equity method-evaluation of inventories

Description

The subsidiaries of the Company is primarily engaged in manufacturing and sales of LED wafers, chips, packages and modules. Due to rapid technological developments, short product lifespans and frequent fluctuations of market prices, the risk of decline in market value and obsolescence for inventories is high. The subsidiaries of the Company evaluates net realized values for inventories which aged over a specific period of time and specific obsolete inventories in order to provide allowance for valuation loss. Since the identification of the above obsolete inventories and their respective net realizable values are subject to management's judgment, it was identified as one of the key audit matters.

How our audit addressed the matter

Our key audit procedures performed in respect of the above included the following:

1. Obtained an understanding of the Company and subsidiaries's operations and the nature of its industry and interviewed with management to understand the probability of future sales for those out-of-date inventories and to evaluate the reasonableness of allowance for valuation loss.

2. Obtained and validated the accuracy of the detailed listings of inventories aged over a specific period of time and specific obsolete inventories. Validated information of historical sales and discounts for those obsolete inventories to assess the reasonableness of policies in providing allowance for inventory valuation loss.

Investments accounted for using equity method-impairment assessment of property, plant and equipment and goodwill

Description

The subsidiary of the Company, Epistar Corporation, and its subsidiaries measure the recoverable amounts of idle property, plant, and equipment at fair value less disposal costs; while operating property, plant, and equipment, as well as goodwill, are assessed at their in-use values. Epistar Corporation and its subsidiaries evaluate impairment of property, plant, and equipment, as well as goodwill, based on the aforementioned recoverable amounts. The assessment of the in-use value of property, plant, and equipment, as well as goodwill, involves estimating future cash flows and determining discount rates. The assumptions used in forecasting future cash flows and their estimated results have a significant impact on the assessment of the in-use value of property, plant, and equipment, as well as goodwill. Therefore, we consider this a key audit matter.

How our audit addressed the matter

We obtained an external expert appraisal report provided by the subsidiary, Epistar Corporation, and its subsidiaries, for the idle property, plant, and equipment. We assessed the valuation method used by the expert and the reasonableness of the fair value. Additionally, for the recoverable amounts of operating property, plant, and equipment, as well as goodwill, the main procedures performed are outlined as follows:

1. Discussing with management to understand the subsidiary, Epistar Corporation, and its subsidiaries' process for estimating future cash flows, and comparing future cash flows with the operational plan approved by the board of directors for consistency.
2. Discussing the operational plan with management to understand its product strategy

and execution status.

3. Assessing the reasonableness of the assumptions used by management to estimate future cash flows, including expected growth rates and gross profit margins. Also, evaluating the reasonableness of discount rate parameters, including the risk-free rate of return used in calculating the cost of equity capital, industry risk coefficients, and long-term market returns.

Other matter – Audit by Other Independent Auditors

We did not audit the 2023 and 2022 financial statements of certain equity investments accounted for under the equity method. Those financial statements were audited by other independent auditors, whose reports thereon were furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the parent company only financial statements and certain information disclosed in Note 13 relative to these investments, was based solely on the reports of the other independent auditors. These equity investments amounted to NT\$2,630,767 thousand and NT\$2,049,834 thousand, constituting 5.53% and 3.75% of the parent company only total assets as of December 31, 2023 and 2022, and their comprehensive loss (including share of loss of associates and joint ventures accounted for under equity method and share of other comprehensive income/(loss) of associates and joint ventures accounted for under equity method) amounted to NT\$270,050 thousand and NT\$139,085 thousand, constituting 3.84% and 67.06% of the parent company only comprehensive gain for the years then ended.

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

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

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

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

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

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

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

We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Li, Tien-Yi

Chou, Chien-Hung

For and on behalf of PricewaterhouseCoopers, Taiwan

February 23, 2024

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

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

ENNOSTAR INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets			December 31, 2023		December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 602,547	1	\$ 690,933	1
1200	Other receivables		196	-	59	-
1210	Other receivables - related parties	7	318,880	1	402,738	1
1410	Prepayments		14,873	-	12,793	-
1470	Other current assets		3	-	4	-
11XX	Current Assets		936,499	2	1,106,527	2
Non-current assets						
1535	Non-current financial assets at amortised cost	6(2) and 8	120,000	-	-	-
1550	Investments accounted for using equity method	6(3)	46,437,729	98	53,490,974	98
1600	Property, plant and equipment	6(4)	10,717	-	10,978	-
1900	Other non-current assets		25,005	-	25,408	-
15XX	Non-current assets		46,593,451	98	53,527,360	98
1XXX	Total assets		\$ 47,529,950	100	\$ 54,633,887	100
Liabilities and Equity						
Current liabilities						
2100	Short-term borrowings	6(5)	\$ -	-	\$ 100,000	-
2200	Other payables		130,036	-	97,222	-
2220	Other payables-related parties	7	4,093	-	3,270	-
2230	Current tax liabilities		18,930	-	27,952	-
2300	Other current liabilities		2,709	-	1,166	-
21XX	Current Liabilities		155,768	-	229,610	-
Non-current liabilities						
2600	Other non-current liabilities		8	-	8	-
2XXX	Total Liabilities		155,776	-	229,618	-
Equity						
	Share capital	6(7)				
3110	Share capital - common stock		7,529,405	16	7,547,840	14
	Capital surplus	6(8)				
3200	Capital surplus		46,447,060	98	46,421,664	85
	Retained earnings	6(9)				
3310	Legal reserve		216,945	-	216,945	1
3320	Special reserve		154,927	-	290,598	1
3350	Unappropriated retained earnings(Accumulated deficit)		(6,814,704)	(14)	147,022	-
	Other equity interest	6(10)				
3400	Other equity interest		(24,296)	-	75,010	-
3500	Treasury shares	6(7)	(135,163)	-	(294,810)	(1)
3XXX	Total equity		47,374,174	100	54,404,269	100
3X2X	Total liabilities and equity		\$ 47,529,950	100	\$ 54,633,887	100

The accompanying notes are an integral part of these parent company only financial statements.

ENNOSTAR INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for (loss) earnings per share amounts)

				Year ended December 31			
				2023		2022	
Items	Notes			AMOUNT	%	AMOUNT	%
4000 Sales revenue	6(3)(11) and 7		\$	336,750	100	\$ 244,729	100
5000 Operating costs			(	7,110,131	(2111)	(179,138)	(73)
5900 Operating margin			(	6,773,381	(2011)	65,591	27
5950 Net operating margin			(	6,773,381	(2011)	65,591	27
6900 Operating (loss) profit			(	6,773,381	(2011)	65,591	27
Non-operating income and expenses							
7100 Interest income				11,094	3	7,261	3
7010 Other income				673	-	1,969	1
7020 Other gains and losses				56	-	195	-
7050 Finance costs			(	158	-	(718)	-
7000 Total non-operating income and expenses				11,665	3	8,707	4
7900 (Loss) profit before income tax			(	6,761,716	(2008)	74,298	31
7950 Income tax expense	6(14)		(	20,962	(6)	(36,274)	(15)
8200 (Loss) profit for the year			(\$	6,782,678)	(2014)	\$ 38,024	16
Other comprehensive (loss) income							
Components of other comprehensive income that will not be reclassified to profit or loss							
8330 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss			\$	33,525	10	(\$ 233,252)	(95)
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(14)		(	42,586	(13)	(39,989)	(17)
8310 Components of other comprehensive loss that will not be reclassified to profit or loss			(	9,061	(3)	(273,241)	(112)
Components of other comprehensive income that will be reclassified to profit or loss							
8380 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss			(	251,091	(75)	443,043	181
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(14)			6,262	2	(428)	-
8360 Components of other comprehensive (loss) income that will be reclassified to profit or loss			(	244,829	(73)	442,615	181
8300 Other comprehensive (loss) income			(\$	253,890)	(76)	\$ 169,374	69
8500 Total comprehensive (loss) income			(\$	7,036,568)	(2090)	\$ 207,398	85
(Loss) Earnings per share (NT\$)							
9750 Total basic (loss) earnings per share	6(15)		(\$	9.02)		\$ 0.05	
9850 Total diluted (loss) earnings per share			(\$	9.02)		\$ 0.05	

The accompanying notes are an integral part of these parent company only financial statements.

ENNOSTAR INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings					Other equity interest		Treasury shares	Total
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Cumulative translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income		
2022										
Balance at January 1,2022		\$ 6,852,514	\$ 43,830,638	\$ -	\$ -	\$ 2,169,446	(\$ 406,535)	\$ 170,992	(\$ 294,810)	\$ 52,322,245
Profit for the year		-	-	-	-	38,024	-	-	-	38,024
Other comprehensive income(loss) for the year		-	-	-	-	19,477	442,615	(292,718)	-	169,374
Total comprehensive income(loss)		-	-	-	-	57,501	442,615	(292,718)	-	207,398
Appropriation of 2021 earnings	6(9)									
Legal reserve		-	-	216,945	-	(216,945)	-	-	-	-
Special reserve		-	-	-	290,598	(290,598)	-	-	-	-
Cash dividends		-	-	-	-	(1,365,881)	-	-	-	(1,365,881)
Proceeds from issuance of share capital	6(7)	700,000	2,927,400	-	-	-	-	-	-	3,627,400
Expiration of restricted employee stock	6(8)	(4,674)	4,674	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries accounted for using equity method	6(8)	-	(257,645)	-	-	-	-	-	-	(257,645)
Net change in equity of associates and joint ventures	6(8)	-	104,634	-	-	-	-	-	-	104,634
Difference between consideration and carrying amount of subsidiaries acquired and disposed	6(8)	-	(188,037)	-	-	(45,848)	3	-	-	(233,882)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(9)(10)	-	-	-	-	(160,653)	-	160,653	-	-
Balance at December 31,2022		<u>\$ 7,547,840</u>	<u>\$ 46,421,664</u>	<u>\$ 216,945</u>	<u>\$ 290,598</u>	<u>\$ 147,022</u>	<u>\$ 36,083</u>	<u>\$ 38,927</u>	<u>(\$ 294,810)</u>	<u>\$ 54,404,269</u>
2023										
Balance at January 1,2023		\$ 7,547,840	\$ 46,421,664	\$ 216,945	\$ 290,598	\$ 147,022	\$ 36,083	\$ 38,927	(\$ 294,810)	\$ 54,404,269
Loss for the year		-	-	-	-	(6,782,678)	-	-	-	(6,782,678)
Other comprehensive income (loss) for the year		-	-	-	-	6,604	(244,829)	(15,665)	-	(253,890)
Total comprehensive income (loss)		-	-	-	-	(6,776,074)	(244,829)	(15,665)	-	(7,036,568)
Appropriation of 2022 earnings										
Reversal of special reserve		-	-	-	(135,671)	135,671	-	-	-	-
Decrease in treasury shares	6(7)	(18,435)	(141,212)	-	-	-	-	-	159,647	-
Changes in ownership interests in subsidiaries accounted for using equity method	6(8)	-	87,548	-	-	(160,135)	-	-	-	(72,587)
Net change in equity of associates and joint ventures	6(8)	-	59,445	-	-	-	-	-	-	59,445
Difference between consideration and carrying amount of subsidiaries acquired and disposed	6(8)	-	19,564	-	-	-	-	-	-	19,564
Empolyee stock ownership trust cancellation	6(8)	-	51	-	-	-	-	-	-	51
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(9)(10)	-	-	-	-	(161,188)	-	161,188	-	-
Balance at December 31,2023		<u>\$ 7,529,405</u>	<u>\$ 46,447,060</u>	<u>\$ 216,945</u>	<u>\$ 154,927</u>	<u>(\$ 6,814,704)</u>	<u>(\$ 208,746)</u>	<u>\$ 184,450</u>	<u>(\$ 135,163)</u>	<u>\$ 47,374,174</u>

The accompanying notes are an integral part of these parent company only financial statements.

ENNOSTAR INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
(Loss) profit before tax		(\$ 6,761,716)	\$ 74,298
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(4)(12)	1,395	895
Interest expense		158	718
Interest income		(11,094)	(7,261)
Share of loss (profit) of associates and joint ventures accounted for using equity method	6(3)	6,781,735	(67,110)
Compensation distributed to subsidiaries' employees		-	(1,494)
Changes in operating assets and liabilities			
Changes in operating assets			
Other receivables-related parties		83,858	(343,174)
Prepayments		(2,080)	(10,294)
Other current assets		1	(4)
Changes in operating liabilities			
Other payables		34,137	(198,537)
Other payables-related parties		823	(43,455)
Other current liabilities		1,543	378
Cash inflow (outflow) generated from operations		128,760	(595,040)
Dividend received		731,003	1,881,651
Interest received		10,957	7,202
Interest paid		(158)	(718)
Income tax paid		(29,983)	(8,312)
Net cash flows from operating activities		840,579	1,284,783
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in current financial assets at amortised cost		(120,000)	-
Acquisition of investments accounted for using equity method		(706,962)	(2,814,135)
Acquisition of property, plant and equipment	6(16)	(2,457)	(9,984)
Decrease (increase) in refundable deposits		403	(25,000)
Net cash flows used in investing activities		(829,016)	(2,849,119)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term loans	6(17)	(100,000)	(50,000)
Decrease in guarantee deposits received	6(17)	-	(2)
Proceeds from issuance of share capital		-	3,627,400
Cash dividends paid		-	(1,365,881)
Employee stock ownership trust cancellation return		51	-
Net cash flows (used in) from financing activities		(99,949)	2,211,517
Net (decrease) increase in cash and cash equivalents		(88,386)	647,181
Cash and cash equivalents at beginning of year		690,933	43,752
Cash and cash equivalents at end of year		\$ 602,547	\$ 690,933

Attachment 7

ENNOSTAR Inc. Deficit Compensation Table Year 2023

Unit: NTD

Item	Subtotal	Total
Unappropriated Retained Earnings of previous years		282,693,241
Net loss after tax of 2023	(6,782,677,847)	
The amount of items other than the net profit after tax of the current period included in the undistributed surplus		
Add (Less):		
Changes in actuarial gains and losses	6,603,343	
Disposal of equity instruments at fair value through other comprehensive income	(161,187,489)	
Changes in ownership interests in subsidiaries accounted for using the equity method	(160,135,279)	
Total of Legal reserve appropriated		(7,097,397,272)
Add :		
Reversal of special reserve	54,842,696	
Deficits to be compensated at the end of 2023		(6,759,861,335)
Deficit compensation item :		
legal reserve	216,944,617	
special reserve	100,083,997	
capital surplus-additional paid-in capital arising from ordinary share	6,442,832,721	
Accumulated deficit		0

Chairman Shuang-Lang (Paul) Peng

President Shuang-Lang (Paul) Peng

Accounting Supervisor Po-Yi Chang

Attachment 8

ENNOSTAR Inc. Articles of Incorporation Comparison Table for Amendments

Article No.	Original Articles	Amended Articles	Reasons for Amendments
Article 2	The scope of business operated by this company shall be as follows: H201010 General Investment	The scope of business operated by this company shall be as follows: <u>1. H201010 General Investment</u> <u>2. IH01010 Industrial holding company</u>	Added operated item
Article 14	There are two kinds of shareholders' meetings in the Company: the General Meetings and Extraordinary Meetings. The general meeting shall be held once a year. The board of directors shall convene a general meeting within 6 months after the final account at the end of each fiscal year. An extraordinary meeting will be held if necessary.	There are two kinds of shareholders' meetings in the Company: the General Meetings and Extraordinary Meetings. The general meeting shall be held once a year. The board of directors shall convene a general meeting within 6 months after the final account at the end of each fiscal year. An extraordinary meeting will be held if necessary. <u>The Company's shareholders meeting may be held by virtual shareholders' meeting or other methods announced by the competent authority.</u>	In compliance with the law, added holding shareholders' meetings by virtual meeting
Chapter 4	Directors, <u>Supervisors</u> and the Audit Committee	Directors and the Audit Committee	Revised the Chapter
Article 19	The Company shall have five to thirteen directors <u>and two</u>	The Company shall have five to thirteen directors.	Strengthen corporate

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>supervisors who shall be elected at a shareholders' meeting from persons of legal capacity.</u> The term of office is three years, and all directors and <u>supervisors</u> shall be eligible for re-election. <u>The by-election and re-election after the establishment will adopt the candidate's nomination system, and the directors and supervisors will be elected from the list of candidates and be eligible for re-election.</u> When the Company applies the regulations of independent directors, the number of independent directors to be elected among the number of directors in the preceding paragraph shall not be less than three, and shall not be less than <u>one-fifth</u> of the number of directors. The independent directors' professional qualifications, shareholding, concurrent position restrictions, independence determination, nomination and selection methods, and other compliance matters shall be handled in accordance with the relevant laws and regulations. The Company shall set up a functional committee in	<u>Directors shall be elected from a slate of director candidates, which are nominated under the Candidate Nomination System, at shareholders' meetings.</u> The directors are eligible for re-election. The number of directors shall be decided by the board of directors. The number of independent directors among the number of directors in the preceding paragraph shall not be less than three, and shall not be less than <u>one-third</u> of the number of directors. The independent directors' professional qualifications, shareholding, concurrent position restrictions, independence determination, nomination and selection methods, and other compliance matters shall be handled in accordance with the relevant laws and regulations. The Company shall set up a functional committee in accordance with the requirements of the law and depending on the Company's needs. The Company may purchase liability insurance for the	governance, launch the sustainable development program for listed companies in advance, and delete the transition period regulations for supervisors when setting up a holding company.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	accordance with the requirements of the law and depending on the Company's needs. The Company may purchase liability insurance for the directors and <u>supervisors</u>, to the extent of the compensation responsibility assumed in business execution in their term of office according to law. The Board of Directors is authorized to determine the remuneration of directors and <u>supervisors</u>, based on the level of participation and the value of contribution to the Company's business operations and taking into account the common remuneration level in the same industry.	directors, to the extent of the compensation responsibility assumed in business execution in their term of office according to law. The Board of Directors is authorized to determine the remuneration of directors, based on the level of participation and the value of contribution to the Company's business operations and taking into account the common remuneration level in the same industry.	
Article 19-1	<u>The Company is a newly incorporated company that is listed by share exchange in accordance with the provisions of Article 31 of the Business Mergers and Acquisitions Act, and the regulations of independent directors shall apply from the year when the first term of the directors and supervisors expires.</u> However, in accordance with practical needs, before the expiration of the first term, the Board of Directors may decide to apply the provisions of independent directors in advance, and in	<u>Pursuant to Article 14-4 of the Securities and Exchange Law, the Company shall have the audit committee which shall be composed of all independent directors.</u>	Deleted the transition period regulations when setting up a holding company and made amendments in compliance with laws and regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	accordance with the provisions of Article 14-4 of the Securities Exchange Act, to set up an audit committee to <u>replace the supervisors. The audit committee</u> is composed of all independent directors. If it is decided to set up an audit committee during the first term, the supervisors will be <u>dismissed at the same time when the audit committee is formed.</u> <u>The composition of the audit committee, authority, rules of procedure, and other compliance matters shall be handled in accordance with the relevant regulations of the competent authority. During the establishment of the audit committee, the terms of the supervisors in this Article of Incorporation shall cease to apply except that the supervisors may still apply for the payment of the supervisor's remuneration for the year in which he/she is appointed.</u>		
Article 21	The Board of Directors' (hereinafter "BOD") meeting should be convened at least once every quarter. Each BOD director and <u>supervisor</u> is entitled to be informed with the agenda 7 days prior to the meeting. However, an ad-hoc meeting may occur in the case of emergency.	The Board of Directors' (hereinafter "BOD") meeting should be convened at least once every quarter. Each BOD director is entitled to be informed with the agenda 7 days prior to the meeting. However, an ad-hoc meeting may occur in the case of emergency.	Deleted the transition period regulations for supervisors when setting up a holding company.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	The notification of the aforesaid meeting can be made in written, via email or facsimile or other electronic manner.	The notification of the aforesaid meeting can be made in written, via email or facsimile or other electronic manner.	
Article 27	The Articles of Incorporation was set up at the meeting of the promoters on August 7, 2020. The first amendment was adopted on May 31, 2022.	The Articles of Incorporation was set up at the meeting of the promoters on August 7, 2020. The 1st amendment was made on May 31, 2022. <u>The 2nd amendment was made on May 24, 2024.</u>	Added the latest amendment date.

Attachment 9

ENNOSTAR Inc. Rules for the Procedures of the Shareholders' Meeting Comparison Table for Amendments

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
<u>1.</u>	Unless otherwise provided in laws or regulations, a Shareholders' meeting shall be conducted in compliance with the Rules of Procedure.	<u>Article 1:</u>	Unless otherwise provided in laws or regulations, a Shareholders' meeting shall be conducted in compliance with the Rules of Procedure.	Revised the expression of Article No.
<u>2.</u>	<u>While convening the meeting, an attendance register shall be prepared for shareholders present at the meeting to sign-in. A shareholder present shall submit the attendance card in place of sign-in. The number of shares represented by shareholders present in the meeting shall be calculated in accordance with the attendance register or attendance cards submitted by the shareholders present.</u>	<u>Article 2:</u>	<u>Shareholders or their proxies attending the shareholders' meeting (the "Meeting") shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders or their proxies attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders or their proxies plus the number of shares exercised by correspondence or electronic means.</u>	Modified the wording, and added the ability to exercise the right to vote by correspondence or electronic means
<u>3.</u>	The attendance of the meeting and voting in the meeting shall be based on the calculation of shares.	<u>Article 3:</u>	The attendance of the meeting and voting in the meeting shall be based on the calculation of shares.	Revised the expression of Article No.
<u>4.</u>	The number of shares represented by shareholders present in the meeting shall be calculated in accordance with the attendance cards submitted by the		(delete)	(deleted)

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	shareholders present. A shareholder present (or proxy) shall wear certificate of attendance and submit the attendance card in place of signing-in.			
<u>5.</u>	The meeting shall be held at the office of the Company, or any other appropriate place that is convenient for the shareholders and suitable for the meeting to be held. The starting time of the meeting shall not be earlier than 9 am or later than 3 pm.	<u>Article 4:</u>	The meeting shall be held at the office of the Company, or any other appropriate place that is convenient for the shareholders and suitable for the meeting to be held. The starting time of the meeting shall not be earlier than 9 am or later than 3 pm. <u>The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual shareholders' meeting.</u>	Revised and renewed the expression of Article No. in accordance with regulations.
<u>6.</u>	If the meeting is convened by the Board of Directors (the "BOD"), the Chairman of the BOD shall be the chairman of the meeting. If Chairman is on leave, or cannot execute his or her authority for any reason, the Vice Chairman shall preside over the meeting. If there is no Vice Chairman or the Vice Chairman is also on leave, or cannot execute his or her authority for any reason, Chairman shall designate one of the Managing Directors to act on behalf of him or her. If there is no Managing Director,	<u>Article 5:</u>	If the meeting is convened by the Board of Directors (the "BOD"), the Chairman of the BOD shall be the chairman of the meeting. If Chairman is on leave, or cannot execute his or her authority for any reason, the Vice Chairman shall preside over the meeting. If there is no Vice Chairman or the Vice Chairman is also on leave, or cannot execute his or her authority for any reason, Chairman shall designate one of the Managing Directors to act on behalf of him or her. If there is no Managing Director, Chairman	Revised and renewed the expression of Article No.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	Chairman shall designate one of the directors to preside over the meeting. If Chairman does not designate any proxy to preside over the meeting on his or her behalf, the Managing Directors or directors shall elect one from among themselves to preside over the meeting. If the meeting is convened by any other person entitled to convene the meeting, not by the BOD, such person shall preside over the meeting.		shall designate one of the directors to preside over the meeting. If Chairman does not designate any proxy to preside over the meeting on his or her behalf, the Managing Directors or directors shall elect one from among themselves to preside over the meeting. If the meeting is convened by any other person entitled to convene the meeting, not by the BOD, such person shall preside over the meeting.	
<u>7.</u>	The Company may designate its lawyers, CPAs or relevant parties to attend the meeting. <u>The team members handling the business of the meeting shall wear an identification card or a badge.</u>	<u>Article 6:</u>	The Company may designate its lawyers, CPAs or relevant parties to attend the meeting.	Revised, and renewed the expression of Article No. and act in concert with practical requirements.
<u>8.</u>	The chairman may engage disciplinary officers (or security personnel) to assist on keeping the order of the meeting. Such disciplinary officers (or security personnel) shall wear a badge marked "Disciplinary Officers".	<u>Article 7:</u>	The chairman may engage disciplinary officers (or security personnel) to assist on keeping the order of the meeting. Such disciplinary officers (or security personnel) shall wear a badge marked "Disciplinary Officers".	Revised and renewed the expression of Article No.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
<u>9.</u>	Any participants of the Shareholders' meeting shall not bring items which might endanger human life, health, liberty or property.	<u>Article 8:</u>	Any participants of the Shareholders' meeting shall not bring items which might endanger human life, health, liberty or property.	Revised and renewed the expression of Article No.
<u>10.</u>	The chairman may engage police officers to assist on keeping the order of the meeting.	<u>Article 9:</u>	The chairman may engage police officers to assist on keeping the order of the meeting.	Revised the expression of Article No.
<u>11.</u>	The whole proceedings of the meeting shall be videotaped or tape-recorded. The preceding tapes shall be preserved for at least one year.	<u>Article 10:</u>	The whole proceedings of the meeting shall be videotaped or tape-recorded. The preceding tapes shall be preserved for at least one year. <u>Where a shareholders meeting is held by virtual meeting, this Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this 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 shall be properly kept by this 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.</u>	Revised and renewed the expression of Article No.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
<u>12.</u>	The chairman shall call the meeting according to meeting schedule. If the number of shares represented by the shareholders present at the meeting has not yet reached more than 50% of the total issued and outstanding shares of the Company, the chairman may postpone the meeting. The postponements shall be limited to twice at most and the meeting may not be postponed longer than one hour in total. If the shares of the shareholders present at the meeting represent has not yet reached more than 50% but 1/3 of the total issued and outstanding shares or more after the meeting being postponed twice, a tentative resolution may be adopted in accordance with Paragraph 1 of Article 175 of the Company Act R.O.C. Before the adjournment of the meeting, if the number of shares represented by the shareholders present at the meeting reaches more than 50% of the total issued	<u>Article 11:</u>	The chairman shall call the meeting according to meeting schedule. If the number of shares represented by the shareholders present at the meeting has not yet reached more than 50% of the total issued and outstanding shares of the Company, the chairman may postpone the meeting. The postponements shall be limited to twice at most and the meeting may not be postponed longer than one hour in total. If the shares of the shareholders present at the meeting represent has not yet reached more than 50% but 1/3 of the total issued and outstanding shares or more after the meeting being postponed twice, a tentative resolution may be adopted in accordance with Paragraph 1 of Article 175 of the Company Act R.O.C. Before the adjournment of the meeting, if the number of shares represented by the shareholders present at the meeting reaches more than 50% of the total issued and outstanding shares, the chairman may submit the adopted tentative resolution to the <u>shareholders'</u> meeting for approval in accordance with Article 174 of the Company Act R.O.C.	Revised,renewed the expression of Article No. and modified wording.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	and outstanding shares, the chairman may submit the adopted tentative resolution to the meeting for approval in accordance with Article 174 of the Company Act R.O.C.			
<u>13.</u>	If the meeting is convened by the BOD, the agenda of the meeting shall be set by the BOD. The meeting shall proceed in accordance with the agenda, unless otherwise resolved by the meeting. The preceding paragraph shall apply to cases where the meeting is convened by a person, other than the BOD, entitled to convene such meeting. Unless otherwise resolved by the meeting, the chairman shall not adjourn the meeting before all of discussion items (including extraordinary motions) have been resolved. After the meeting is adjourned, shareholders shall not elect another chairman to continue the meeting on site or at another venue.	<u>Article 12:</u>	If the meeting is convened by the BOD, the agenda of the meeting shall be set by the BOD. <u>Relevant resolutions (including extraordinary motions and the amendment to the original motion) should be voted by</u> poll. The meeting shall proceed in accordance with the agenda, unless otherwise resolved by the meeting. The preceding paragraph shall apply to cases where the meeting is convened by a person, other than the BOD, entitled to convene such meeting. Unless otherwise resolved by the meeting, the chairman shall not adjourn the meeting before all of discussion items (including extraordinary motions) have been resolved. After the meeting is adjourned, shareholders shall not elect another chairman to continue the meeting on site or at another venue.	Revised, renewed the expression of Article No. and amended in accordance with regulations.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
<u>14.</u>	A meeting shall proceed in accordance with the agenda. In case the speech of any shareholder violates the above provision, the chairman may ask such shareholder to stop speaking. Except for the discussion items listed in the agenda of the meeting, other motions or amendments or alternatives of the discussion items made by a shareholder at the meeting shall be seconded by other shareholders.	<u>Article 13:</u>	A meeting shall proceed in accordance with the agenda. In case the speech of any shareholder violates the above provision, the chairman may ask such shareholder to stop speaking. Except for the discussion items listed in the agenda of the meeting, other motions or amendments or alternatives of the discussion items made by a shareholder at the meeting shall be seconded by other shareholders.	Revised and renewed the expression of Article No.
<u>15.</u>	A shareholder who intends to speak in the meeting shall fill out a speech note, specifying therein the summary of the speech, the shareholder's number (or the number of his or her certificate of attendance) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. A shareholder who only submits his or her speech note but does not actually speak in the meeting shall be considered as not having given such a speech. If the	<u>Article 14:</u>	A shareholder who intends to speak in the meeting shall fill out a speech note, specifying therein the summary of the speech, the shareholder's number (or the number of his or her certificate of attendance) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. A shareholder who only submits his or her speech note but does not actually speak in the meeting shall be considered as not having given such a speech. If the	Revised and renewed the expression of Article No.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	content of the speech of the shareholder are different from the contents of the speech note, the contents of actual speech shall prevail. When a shareholder is giving a speech, the other shareholders shall not interrupt the speech unless they have obtained the consent from the chairman and the said shareholder. For any such violations, the chairman shall stop the interruption immediately.		content of the speech of the shareholder are different from the contents of the speech note, the contents of actual speech shall prevail. When a shareholder is giving a speech, the other shareholders shall not interrupt the speech unless they have obtained the consent from the chairman and the said shareholder. For any such violations, the chairman shall stop the interruption immediately.	
<u>16.</u>	Unless otherwise permitted by the chairman, each shareholder shall not speak more than twice for each discussion item. Each speech shall not take more than 5 minutes. In the case that any speech violates the foresaid provisions or exceeds the scope of the discussion item, the chairman may ask such shareholder to stop speaking.	<u>Article 15:</u>	Unless otherwise permitted by the chairman, each shareholder shall not speak more than twice for each discussion item. Each speech shall not take more than 5 minutes. In the case that any speech violates the foresaid provisions or exceeds the scope of the discussion item, the chairman may ask such shareholder to stop speaking. <u>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</u>	Revised, renewed the expression of Article No. and amended in compliance with laws and regulations.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
			<u>proposal may be raised. Each question shall contain no more than 200 words.</u>	
<u>17.</u>	A legal entity that is appointed as a proxy to attend the meeting can only designate one representative to attend the meeting. If a corporate shareholder designates two or more representatives to attend the meeting, only one representative can speak for each discussion item.	<u>Article 16:</u>	A legal entity that is appointed as a proxy to attend the meeting can only designate one representative to attend the meeting. If a corporate shareholder designates two or more representatives to attend the meeting, only one representative can speak for each discussion item.	Revised and renewed the expression of Article No.
<u>18.</u>	After the speech of a shareholder, the chairman may respond by himself/herself or appoint an appropriate person to respond.	<u>Article 17:</u>	After the speech of a shareholder, the chairman may respond by himself/herself or appoint an appropriate person to respond.	Revised and renewed the expression of Article No.
<u>19.</u>	The chairman may announce to end the discussion on the discussion items and submit them to be resolved when the chairman deems appropriate.	<u>Article 18:</u>	The chairman may announce to end the discussion <u>of any item and amendment or extraordinary motions proposed by the shareholders</u> and submit them to be resolved when the chairman deems appropriate.	Revised, renewed the expression of Article No. and amended in compliance with laws and regulations.
<u>20.</u>	Unless a majority of more than 50% is required by the Company Act R.O.C. or the Articles of Incorporation, a resolution of the meeting shall be adopted by at least	<u>Article 19:</u>	Unless a majority of more than 50% is required by the Company Act R.O.C. or the Articles of Incorporation, a resolution of the meeting shall be adopted by at least 50%	Revised and renewed the expression of Article No.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	50% majority of votes represented by the shareholders present at the meeting. The calculation of votes represented by the shareholders is based on the Articles in the Company Act R.O.C. or the Articles of Incorporation. A resolution of the meeting shall be adopted if it has been voted. If no objection is voiced after solicitation by the chairman, the resolution shall be deemed adopted and shall have the same effect as if it has been voted. If there is an amendment or alternative for a discussion item, the chairman may combine the amendment or alternative into the original discussion item, and determine the sequence of voting for such discussion item. If any above item has been resolved, the others shall be deemed vetoed and no further voting is required.		majority of votes represented by the shareholders present at the meeting. The calculation of votes represented by the shareholders is based on the Articles in the Company Act R.O.C. or the Articles of Incorporation. A resolution of the meeting shall be adopted if it has been voted. If no objection is voiced after solicitation by the chairman, the resolution shall be deemed adopted and shall have the same effect as if it has been voted. If there is an amendment or alternative for a discussion item, the chairman may combine the amendment or alternative into the original discussion item, and determine the sequence of voting for such discussion item. If any above item has been resolved, the others shall be deemed vetoed and no further voting is required.	
<u>21.</u>	<u>Scrutinizers and vote counters shall be designated by the chairman. The result of voting shall be announced at the meeting, and recorded in the meeting minutes.</u> <u>Scrutinizer shall be the shareholders. The</u>	<u>Article 20:</u>	<u>The voting method and procedures shall be announced by the chairman or a person designated by the chairman. The person(s) to monitor and the person(s) to count the ballots shall be appointed by the chairman. The person(s) monitoring the ballots shall be</u>	Revised, renewed the expression of Article No. and modified words

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	<u>supervisory work includes supervising the procedure of voting, improper voting, vote validation and the record prepared by vote counters.</u> A ballot is invalid if one of the following conditions is met and the vote shall not be counted: (1) Not using ballots printed by the Company. (2) A ballot which is not inserted into the ballot box. (3) A blank ballot without written words or written comments based on discussion items. (4) A ballot with written words other than required items. (5) The handwriting is blurred, not identifiable, or written over. (6) The proxy violates "Rules Governing the Use of Proxies for Attendance at		<u>a shareholder(s). The result of voting shall be announced at the Meeting and recorded in the minutes of the Meeting.</u>	

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	Shareholders' Meetings of Public Companies" in handling ballots.			
<u>22.</u>	During the meeting, the chairman may set time for intermission at his or her discretion.	<u>Article 21:</u>	During the meeting, the chairman may set time for intermission at his or her discretion.	Revised and renewed the expression of Article No.
<u>23.</u>	<u>In the event of any air-raid alarm, earthquake or force majeure, the chairman may adjourn the meeting temporarily and the participants shall evacuate themselves respectively. The chairman shall resume the meeting subject to the actual situation.</u>	<u>Article 22:</u>	<u>In case of incident due to force majeure, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed. If the meeting venue is no longer available for continued use and not all of the items on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.</u>	Revised, renewed the expression of Article No. and modified words.
<u>24.</u>	Any matters insufficiently address herein shall be subject to the Company Act R.O.C., laws and regulations or Articles of Incorporations concerned.	<u>Article 23:</u>	Any matters insufficiently address herein shall be subject to the Company Act R.O.C., laws and regulations or Articles of Incorporations concerned.	Revised and renewed the expression of Article No.
<u>25.</u>	The Rules of Procedure and any amendment thereto, shall be implemented after approval by the Shareholders' Meeting.	<u>Article 24:</u>	The Rules of Procedure and any amendment thereto, shall be implemented after approval by the Shareholders' Meeting. <u>These Rules were enacted at the promoters' meeting on August 7, 2020.</u> <u>The 1st amendment was made on May 24, 2024.</u>	Added the latest amendment date.

Attachment 10

ENNOSTAR Inc.
Rules for Elections of Directors and Supervisors
Comparison Table for Amendments

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
Regulation name	Rules for Elections of Directors <u>and Supervisors</u>		Rules for Elections of Directors	Modified Regulation name
<u>1.</u>	Unless otherwise stipulated in regulations or Articles of Incorporation of ENNOSTAR Inc. (hereinafter “the Company”), the election(s) of directors <u>and supervisors</u> of the Company shall be subject to the Rules of Electing Directors <u>and Supervisors</u> (hereinafter “the Rules”).	<u>Article 1:</u>	Unless otherwise stipulated in regulations or Articles of Incorporation of ENNOSTAR Inc. (hereinafter “the Company”), the election(s) of directors of the Company shall be subject to the Rules of Electing Directors (hereinafter “the Rules”).	Revised the expression of Article No.
<u>2.</u>	The election(s) of the Company’s directors <u>and supervisors</u> may be conducted individually or simultaneously in Stockholders’ Meeting. The Company should prepare the ballots for directors <u>and supervisors</u> separately, and mark the weighting of each vote. The election of directors <u>and supervisors</u> shall be conducted in accordance with candidates’	<u>Article 2:</u>	The election(s) of the Company’s directors conducted in Stockholders’ Meeting. The Company should prepare the ballots for directors and <u>independent directors</u> , and mark the weighting of each vote. The election of directors shall be conducted in accordance with candidates’ nomination system and procedures stipulated in Article 192-1 of the Company Act.	Revised the expression of Article No. and amended in accordance with regulations.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	nomination system and procedures stipulated in Article 192-1 of the Company Act. <u>Where the Company has established an Audit Committee under Article 19-1 of the Articles of Incorporation, the provisions regarding supervisors shall be no longer applicable within the tenure of an Audit Committee.</u>			
<u>3.</u>	The cumulative voting method shall be used for the election of directors <u>and supervisors</u> in the Company. Each share will have voting rights in number equal to the directors or supervisors to be elected. The shares can be consolidated together to vote on one person or vote on different people. Independent and non-independent directors shall be elected simultaneously, but the number of seats to be elected shall be calculated respectively.	<u>Article 3:</u>	The cumulative voting method shall be used for the election of directors in the Company. Each share will have voting rights in number equal to the number of <u>directors</u> to be elected. The shares can be consolidated together to vote on one person or vote on different people. Independent and non-independent directors shall be elected simultaneously, but the number of seats to be elected shall be calculated respectively.	Revised the expression of Article No. and modified words.
<u>4.</u>	The number of directors <u>and supervisors</u> will be as specified in this Company's Articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their	<u>Article 4:</u>	The number of directors will be as specified in this <u>Company's Articles of incorporation</u> , with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected <u>independent directors and non-independent director</u> sequentially	Revised the expression of Article No. and modified words.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	respective numbers of votes. When there are more than 2 persons receiving the same number of votes above the regulated number, these two candidates should draw a lot to decide elected. The chairman shall draw the lot for those who are not present. <u>When the same person is elected for both a director and supervisor, he or she should decide which position he/she would like to take and leave the other opening (director or supervisor) for the second runner up.</u>		according to their respective numbers of votes. When there are more than 2 persons receiving the same number of votes above the regulated number, these two candidates should draw a lot to decide elected. The chairman shall draw the lot for those who are not present.	
<u>5.</u>	Before the election, the chairman should designate several scrutinizers and ballot counters to perform related duties. The scrutinizers may be from the attending shareholders.	<u>Article 5:</u>	Before the election, the chairman should designate several scrutinizers and ballot counters to perform related duties. The scrutinizers may be from the attending shareholders.	Revised the expression of Article No.
<u>6.</u>	The Company should prepare the ballot box and open it for the public to check before voting procedure.	<u>Article 6:</u>	The Company should prepare the ballot box and open it for the public to check before voting procedure.	Revised the expression of Article No.
<u>7.</u>	If any candidate is also a stockholder, voter shall fill the account name and stockholder account number of the candidate in the column of “candidate” on the ballot; for the candidate is not a stockholder, voter should fill in the name and identification card number of the candidate. However, if	<u>Article 7:</u>	<u>Voters shall, on each ballot, check the box associated with the one director candidate they wish to vote for among the candidates listed by the Company.</u> If any candidate is also a stockholder, voter shall fill the account name and stockholder account number of the candidate in the	Checked the box associated with the one director candidate, and revised and renewed the expression of Article No.

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	the candidate is government or corporate stockholder, the column of “candidate” should be filled with the name of the government or the corporate, or with the name of their representative as well. When there is more than one representative for the government or company, all representatives’ names should be noted.		column of “candidate” on the ballot; for the candidate is not a stockholder, voter should fill in the name and identification card number of the candidate. However, if the candidate is government or corporate stockholder, the column of “candidate” should be filled with the name of the government or the corporate, or with the name of their representative as well. When there is more than one representative for the government or company, all representatives’ names should be noted.	
<u>8.</u>	The ballots shall be invalid under any of the following situations: (1) The ballot is not prepared by the Company. (2) The ballot casted into the box is blank. (3) The writing on the ballot is vague, unrecognizable or altered. (4) The name and account number of the candidates on the ballots for candidates who are also stockholders are inconsistent with Stockholders register. Or the name and identification card number of the candidates who are non-stockholders are inconsistent with records after verification. (5) There are other words written on the	<u>Article 8:</u>	The ballots shall be invalid under any of the following situations: (1) The ballot is not prepared by the Company. (2) The ballot casted into the box is blank. (3) The writing on the ballot is vague, unrecognizable or altered. (4) The name and account number of the candidates on the ballots for candidates who are also stockholders are inconsistent with Stockholders register. Or the name and identification card number of the candidates who are	Added the ballots shall be invalid under the following situations: The total votes cast by the voter exceeding the total voting rights of such voter. If the number of voting rights cast is fewer than the total number of voting rights allotted to a

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	ballots besides the name, stockholder's account name and account number, identification card number and distributed votes of the candidate. (6) The name of the candidate on the ballot is same with other stockholder and the voter did not fill in the candidate's account number of stockholder or identification card number for distinction. (7) The ballot is not put into the ballot box before the end of the vote.		non-stockholders are inconsistent with records after verification. (5) There are other words written on the ballots besides the name, stockholder's account name and account number, identification card number and distributed votes of the candidate. (6) The name of the candidate on the ballot is same with other stockholder and the voter did not fill in the candidate's account number of stockholder or identification card number for distinction. (7) The ballot is not put into the ballot box before the end of the vote. (8) <u>The total votes cast by the voter exceed the total voting rights of such voter.</u> <u>If the number of voting rights cast is fewer than the total number of voting rights allotted to a voter, the remaining will be considered abstentions.</u>	voter, the remaining will be considered abstentions; revised the expression of Article No.
<u>9.</u>	After voting, the ballot box should be	<u>Article 9:</u>	After voting, the ballot box should be	Revised the

Original Articles		Amended Articles		Reasons for Amendments
Article No.	Articles	Article No.	Articles	
	opened and ballot counting should commence immediately. The result of the election should be announced by the chairman on the scene.		opened and ballot counting should commence immediately. The result of the election should be announced by the chairman on the scene.	expression of Article No.
<u>10.</u>	The Rules and any amendment hereto, will be put into force after the approval from the Stockholders' Meeting.	<u>Article 10:</u>	The Rules and any amendment hereto, will be put into force after the approval from the Stockholders' Meeting. <u>These Rules were enacted at the promoters' meeting on August 7, 2020.</u> <u>The 1st amendment was made on May 24, 2024.</u>	Added the latest amendment date.

Attachment 11

ENNOSTAR Inc.

Acquisition or Disposal Procedures of Asset

Comparison Table for Amendments

Article No.	Original Articles	Amended Articles	Reasons for Amendments
Section 1	Section 1 Acquiring or Disposing Assets	(delete)	Deleted this Section
Article 1 :	References The Acquisition or Disposal Procedures of Asset (hereinafter “the SOP”) is subject to “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”.	References The Acquisition or Disposal Procedures of Asset (hereinafter “the SOP”) is subject to “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”.	unchanged
Article 2 :	Definition of assets 1. Investment in securities (including stocks, government bonds, corporate bonds, financial bonds, depository receipt, call/put warrants, beneficiary securities and asset-based securities etc.) 2. Real estate (including land, houses and buildings and investment property) and equipment. 3. Membership certificates 4. Intangible assets such as patents, copyrights, trademarks, concession and so on. 5. Right-of-use assets. 6. Derivatives	Definition of assets 1. Investment in securities (including stocks, government bonds, corporate bonds, financial bonds, depository receipt, call/put warrants, beneficiary securities and asset-based securities etc.) 2. Real estate (including land, houses and buildings and investment property) and equipment. 3. Membership certificates 4. Intangible assets such as patents, copyrights, trademarks, concession and so on. 5. Right-of-use assets. 6. Derivatives	unchanged

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	7. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law. 8. Other important assets	7. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law. 8. Other important assets	
Article 3 :	Decision-making approaches on pricing and references 1. Securities Other than publicly quoted prices of securities that have an active market or where otherwise provide by regulations of the Financial Supervisory Commission (FSC), the ENNOSTAR Inc. (hereinafter referred to as "Company") acquiring or disposing securities should receive the most recent audited CPA report/financial statement from the target company as the reference for evaluating trading price before the day of occurrence. Moreover, any trading exceeding 20% of the paid-in capital or above NT\$300 million requires CPAs' comment on the rationality of trading price before the day of occurrence. 2. Real estate, equipment or right-of-use assets. Before the day of occurrence, any real estate, equipment or right-of-use assets acquired or disposed by the Company with trading value more	Terms are defined as follows: 1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts. 2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter	To clarify the definition of the definition of assets in Article 2,

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	than 20% of paid-in capital or above NT\$300 million are required to obtain the quotation from professionals except trading with domestic government agency, outsourcing construction projects for self-owned/rented properties, or acquiring/disposing equipment/facilities or right-of-use assets for business use. And the following regulations must be followed: (1) Any transaction requiring a limited price, specific or special price as reference for any special reason should be submitted for reviews and approval in advance by the Board of Directors (the "BOD"); the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction. (2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. (3) An appraisal report is required to state the following contents: A. All the items required by the Regulations on Real Estate Appraisal.	"transfer of shares") under Article 156-3 of the Company Act. 3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. 4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment. 5. Date of occurrence: Refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply. 6. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area. 7. 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	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	B. Related items for the appraiser and professional. (a) The name, total capital, organization structure and employment structure of the professional appraising company. (b) The appraiser's name, age, education (with related evidence), the number of years working in appraisal and period, number of cases undertaken by the appraiser. (c) The relationship between the professional appraising company, the appraiser and outsourced company. (d) A statement of "No fraud or concealment in any statement of the appraisal report". (e) The date of issuing the report. C. The basic profile of the appraised target should at least include the name, feature, location and area etc. D. An actual case compared with other real estate in the same area of the target. E. For cases with limited or specific price	competent securities authorities of the jurisdiction where it is located. 8. 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. 9. "Latest Financial Statements" used herein means the financial statements of the Company audited or examined by a certified public accountant which has been disclosed in accordance with applicable regulation before the subject acquisition or disposal of assets. For the calculation of 10 percent of total assets under these Regulations, 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 Regulations, 10 percent of equity attributable to owners of the parent shall be substituted; for calculations under the provisions of these Regulations 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. Any unspecified terms in these Procedures shall be subject	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	range, the appraiser should evaluate whether the current conditions are still consistent with such limitation. The appraiser is also required to state the rationales and reasonability of the difference between the target and normal price, and comment on whether the limited/specific price is rationale to be the basis for transaction price. F. If the target is a contract of joint construction, the reasonable proportion of both parties should be noted. G. Estimate the value-added tax for lands. H. When the same appraiser concludes a price with more than 20% difference of the same period, whether the appraiser complies with Article 41 of Real Estate Appraiser Act is required to be investigated. I. The attachments should include the details of the appraisal, registration information of ownership, a copy of situated area, a brief summary of urban renewal, the map of the target where it is located, the usage	to the “Guidelines for Handling Acquisition or Disposal of Assets by Public Companies” announced by the Financial Supervisory Commission (“FSC”).	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	certificate of different sections of the land, the photos of the current status of the target. (4) Except for all of the evaluation results of acquired asset made by the professional appraisers are higher than the transaction amount or all of the evaluation results of disposed asset made by the professional appraisers are lower than the transaction amount. If a professional appraiser comes up with any of the following result, the Company should consult with CPAs and the CPAs should issue definitive comments on the reasons of the difference and reasonability of the transaction price: A. The appraisal result has more than 20% difference from the actual transaction amount. B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. (5) No more than 3 months may elapse between		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	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. The “professional appraisers” refer to real estate appraiser, or other appraisers permitted by law to conduct appraising for real estate and equipment. 3. Membership certificates or intangible assets or right-of-use assets Before the day of occurrence of the event, any membership certificates, intangible assets or right-of-use assets acquired or disposed by the Company with trading value more than 20% of paid-in capital or above NT\$300 million are required to obtain CPAs’ opinion on the reasonableness of trading price before the day of occurrence of the event. 4. The calculation of the transaction amounts in the first three paragraphs should be proceeded according to the regulations stated in the paragraph 2 of Act. 6, and "within the preceding		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	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. 5. Derivatives Comply with related regulations of Section 3 in "Acquisition or Disposal Procedures of Assets" by the Company. 6. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law. Any professional appraising company and their appraisers, any accountants, legal consultants, or security underwriters that provide the Company with appraisal reports and any party to the transaction shall in comply with the following regulations: 1. No violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement,		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	falsification of documents or occupational crimes, been declared of more than one year imprisonment. 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. 2. The counterparty should not be a related party or a party with a substantive relationship. 3. If two or more appraisal report shall be obtained, the different professional valuers or appraisers may not be related to each other or have substantive relationships. When issuing the appraisal report or opinion, the personnel of the preceding paragraph shall comply with the self-regulatory rules of their own industry associations and the following matters: 1. Professional ability, practical experience and independence should carefully assess before undertaking a case. 2. A case should be executed by appropriate operational procedures and should be properly planned and implemented to reach a conclusion for		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	the basis of a report or opinion accordingly; the procedures, data collected and conclusions shall be carried out with details in the working paper of the case. 3. The data source, parameters and information used shall be evaluated item by item for appropriateness and reasonableness as the basis for the issuance of appraisal reports or opinions. 4. The statement shall include the professionalism and independence of the relevant personnel, the information used for evaluation is appropriate and reasonable, and the relevant laws and regulations are followed. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA's comments.		
Article 4 :	Transaction cap 1. If the asset acquired or disposed by the Company and any subsidiary belongs to lands, real estate and equipment or right-of-use asset for business use, there will not be any limitation on the cap of transaction. If the business scope of a subsidiary is in business investment category, the amount of	Operating Procedures To conduct any acquisition or disposal of assets, the in-charge division shall submit to the authority division the reason for the proposed acquisition or disposal, the object, the transaction counterparty, the transfer price, the payment terms, and the price reference for their approval in accordance with the Handling Procedures, and then the acquisition or disposal of assets shall be implemented by relevant division.	Formulate operating procedures for approval and execution; the various asset limits in the original provisions are changed to a

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	securities investment is not limited. 2. For all real estate and right-of-use asset for non business use purchased by the Company and any subsidiary, the transaction amount should not exceed 10% of the net value of the most recent financial statement. 3. The transaction cap of Security investment of the Company and subsidiaries is limited to 150% and 60% respectively of the net value of the most recent financial statement. The aforesaid limitation does not apply to the case when reorganizing the group's organizational structure. 4. The amount of investment in individual securities of the Company and its subsidiaries is limited to 50% and 30% respectively of the most recent financial statement. The aforesaid limitation does not apply to the case when reorganizing the group's organizational structure. The amount of securities investment mentioned above should be calculated in accordance with initial investment cost.		schedule.
Article 5 :	Delegation, execution unit and decision-making procedure of transaction conditions 1. Acquisition procedures of real estate and	Evaluation Procedures 1. Before the day of occurrence, any real estate, equipment or right-of-use assets acquired or	The main purpose is to move the original text of Article 3 of the

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	equipment or right-of-use asset: the acquisition of the Company's real estate and equipment and right-of-use asset should be authorized to the responsible managers within their delegation after the execution unit proposes a budget and approved by the BOD. In the case of emergency, any case under NT\$100 million is authorized by the President to review and approve. Any case from NT\$100 million to NT\$300 million should be reviewed and approved by the chairman and submitted to the next nearest BOD meeting for report. Any case more than NT\$300 million is required to be submitted to the BOD for deliberation and approval. 2. Procedure of disposing real estate and equipment and right-of-use asset: Any discarding or selling of real estate and equipment and right-of-use asset by the Company require a statement of reasons via special project from the original user. Any case with the higher of on-par value and appraisal value under NT\$50 million after quoting, price comparison and negotiation by the manager of the assets should be	disposed by the Company with trading value more than 20% of paid-in capital or above NT\$300 million are required to obtain the quotation from professionals except trading with domestic government agency, outsourcing construction projects for self-owned/rented properties, or acquiring/disposing equipment/facilities or right-of-use assets for business use. And the following regulations must be followed: (1) Any transaction requiring a limited price, specific or special price as reference for any special reason should be submitted for reviews and approval in advance by the Board of Directors (the "BOD"); the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction. (2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. (3) Except for all of the evaluation results of acquired asset made by the professional appraisers are higher than the transaction amount or all of the evaluation results of	original Regulations to Article 5 of the new Regulations; the authorization levels in Article 5 of the original Regulations are changed to be presented in the appendix of the new Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments																										
	approved by the President. For cases from NT\$50 million to NT\$100 million, the Chairman should review and approve. Any application above NT\$100 million requires the BOD’ review and approval. 3. Acquisition and disposal procedure for investment on securities (1) Authority Matrix <table><tr><th rowspan="2">Items</th><th rowspan="2">Amount per time</th><th colspan="3">Authorized signer</th></tr><tr><th>President</th><th>Chairman</th><th>BOD</th></tr><tr><td rowspan="2">Strategic securities</td><td>below 300 millions</td><td>review</td><td>approve</td><td></td></tr><tr><td>exceed 300 millions</td><td></td><td>review</td><td>approve</td></tr><tr><td rowspan="2">Short-term securities *</td><td>below 100 millions</td><td>approve</td><td></td><td></td></tr><tr><td>exceed 100 millions</td><td>review</td><td>approve</td><td></td></tr></table> * The purpose of short-term security is for Short-term fund transfer, it includes buy/sell short-term notes, repo/resell bounds, bound fund, currency fund and Structured/linked deposits with a principle guaranteed.	Items	Amount per time	Authorized signer			President	Chairman	BOD	Strategic securities	below 300 millions	review	approve		exceed 300 millions		review	approve	Short-term securities *	below 100 millions	approve			exceed 100 millions	review	approve		disposed asset made by the professional appraisers are lower than the transaction amount. If a professional appraiser comes up with any of the following result, the Company should consult with CPAs and the CPAs should issue definitive comments on the reasons of the difference and reasonability of the transaction price: A. The appraisal result has more than 20% difference from the actual transaction amount. B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. (4) 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. The “professional appraisers” refer to real estate appraiser, or other appraisers permitted by law to conduct appraising for real estate and equipment. 2. Other than publicly quoted prices of securities that	
Items	Amount per time			Authorized signer																									
		President	Chairman	BOD																									
Strategic securities	below 300 millions	review	approve																										
	exceed 300 millions		review	approve																									
Short-term securities *	below 100 millions	approve																											
	exceed 100 millions	review	approve																										

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	(2) Executive unit: The investment project will be undertaken by the Finance and Risk Management Office or the Investment Management Office. 4. The acquisition and disposal procedures of intangible assets, right-of-use assets or membership cards: The execution unit is required to prepare related information and submit to the BOD for deliberation and approval. 5. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law and other important assets: The BOD should be entitled to deliberate and approve. When the Company acquires or disposes any asset compliant with the afore-stated regulation or other laws that require approval from the BOD but some directors express objection with record or written statement, the Company should send this information to each supervisor. When the Company has independent director in place, the Company should consider each	have an active market or where otherwise provide by regulations of the Financial Supervisory Commission (FSC), the ENNOSTAR Inc. (hereinafter referred to as "Company") acquiring or disposing securities should receive the most recent audited CPA report/financial statement from the target company as the reference for evaluating trading price before the day of occurrence. Moreover, any trading exceeding 20% of the paid-in capital or above NT\$300 million requires CPAs' comment on the rationality of trading price before the day of occurrence. 3. Before the day of occurrence of the event, any membership certificates, intangible assets or right-of-use assets acquired or disposed by the Company with trading value more than 20% of paid-in capital or above NT\$300 million ,except for the assets which are dealing with a domestic government authority, required to obtain CPAs' opinion on the reasonableness of trading price before the day of occurrence of the event. 4. The calculation of the transaction amounts in the first three paragraphs should be proceeded according to the regulations stated in the paragraph 2 of Act. 6, 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	

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	independent director’s comment when submitting any application of acquiring and disposing assets to the BOD for discussion in compliance with paragraphs 1 to 5. In case of any objection or comment to put hold of the application, the meeting notes of the BOD should be noted. When the Company has formulated the Audit Committee, any major transaction of assets or derivatives should receive approval from 50% or more members of the Audit Committee and submit to the BOD for approval. The afore-stated cases should obtain concurrence of 2/3 or more members from the BOD’ directors if they do not receive the approval from 50% members in Audit Committee. And this situation, along with the resolution of Audit Committee, should be noted in meeting notes. The afore-stated “Audit Committee members” and afore-stated “all directors” refer to those who are actually performing duty currently	transaction amount. 5. Any acquisition or disposal of assets through mergers, spin-offs, acquisitions or shares transfer by the Company shall comply with the Procedures of Article 9. 6. Any professional appraising company and their appraisers, any accountants, legal consults, or security underwriters that provide the Company with appraisal reports and any party to the transaction shall in comply with the following regulations: (1) No violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, falsification of documents or occupational crimes, been declared of more than one year imprisonment. 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. (2) The counterparty should not be a related party or a party with a substantive relationship. (3) If two or more appraisal report shall be obtained, the different professional valuers or appraisers may not be related to each other or	

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		have substantive relationships. 7. When issuing the appraisal report or opinion, the personnel of the preceding paragraph shall comply with the self-regulatory rules of their own industry associations and the following matters: (1) Professional ability, practical experience and independence should carefully assess before undertaking a case. (2) A case should be executed by appropriate operational procedures and should be properly planned and implemented to reach a conclusion for the basis of a report or opinion accordingly; the procedures, data collected and conclusions shall be carried out with details in the working paper of the case. (3) The data source, parameters and information used shall be evaluated item by item for appropriateness and reasonableness as the basis for the issuance of appraisal reports or opinions. (4) The statement shall include the professionalism and independence of the relevant personnel, the information used for evaluation is appropriate and reasonable, and the relevant laws and regulations are followed. 8. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be	

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		substituted for the appraisal report or CPA's comments.	
Article 6 :	Procedure of promulgation and declaration The Company is liable to announce and declare on websites appointed by <u>regulators</u> in regulated format within 2 days after the occurrence of any of the following incident (hereinafter "the occurrence date") when acquiring or disposing assets: 1. Obtain or dispose real estate or right-of-use assets from related parties; obtain or dispose the assets not aside from real estate or right-of-use assets with trading value of 20% of the Company's paid-in capital or that of 10% of total asset or more than NT\$300 million; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds which is issued by domestic security investment trust entity. 2. Merger, demerger, acquisition, or transfer of shares. 3. <u>The loss incurred from derivatives transaction reaching the limits on aggregate losses or losses on individual contracts based on rules in the</u>	Procedure of promulgation and declaration 1. The Company is liable to announce and declare on websites appointed by <u>FSC</u> in regulated format within 2 days after the occurrence of any of the following incident (hereinafter "the occurrence date") when acquiring or disposing assets: (1) Obtain or dispose real estate or right-of-use assets from related parties; obtain or dispose the assets not aside from real estate or right-of-use assets with trading value of 20% of the Company's paid-in capital or that of 10% of total asset or more than NT\$300 million; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds which is issued by domestic security investment trust entity. (2) Merger, demerger, acquisition, or transfer of shares. (3) Acquire or dispose equipment or right-of-use assets which for business use and Trading partner is not related parties, transaction amount is to one of the following requirements:	In line with the announcement and reporting procedures of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", rearrange the combinations, and set the announcement standards for "loss from derivative transactions reaches the maximum loss for all contracts or individual contract" stipulates in the Company's "Handling Procedures for Conducting Derivative

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	<u>procedures adopted by the Company.</u> 4. Acquire or dispose equipment or right-of-use assets which for business use and Trading partner is not related parties, transaction amount is to one of the following requirements: (1) The Company paid-in capital is less than NTD Ten (10) billion, the transaction amount is above NTD five hundred (500) million. (2) The Company paid-up capital is above NTD Ten (10) billion, the transaction amount is above NTD one (1) billion. 5. The Company acquires real estate via outsourcing construction on self-owned lands or outsourcing construction on leased lands, or joint construction and separate sales, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction is above NTD five-hundred (500) million. 6. Other than the above 5 types of transactions or investment in the mainland China area, or any other cases worth more than 20% paid-in capital of the Company or NT\$300 million, the following situations shall not be applicable:	A. The Company paid-in capital is less than NTD Ten (10) billion, the transaction amount is above NTD five hundred (500) million. B. The Company paid-up capital is above NTD Ten (10) billion, the transaction amount is above NTD one (1) billion. (4) The Company acquires real estate via outsourcing construction on self-owned lands or outsourcing construction on leased lands, or joint construction and separate sales, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction is above NTD five-hundred (500) million. (5) Other than the above 4 types of transactions or investment in the mainland China area, or any other cases worth more than 20% paid-in capital of the Company or NT\$300 million, the following situations shall not be applicable: A. Trading of domestic government bonds or foreign government bonds whose sovereign credit rating is not lower the one of our country. B. Trading of bonds under repurchase/resale agreements, or subscription or redemption of domestic money market funds which is issued by domestic security investment trust	Transactions". The definitions of terms in items 3, 4, and 5 of the original measures have been moved to Article 3 of the new Regulations.

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	(1) Trading of domestic government bonds or foreign government bonds whose sovereign credit rating is not lower the one of our country. (2) Trading of bonds under repurchase/resale agreements, or subscription or redemption of domestic money market funds which is issued by domestic security investment trust entity. Each of the above-stated transaction value is calculated by any of the following formula: 1. Total of each individual transaction 2. The transaction total of the same person accumulated in one year from acquiring or disposing the same type of targets 3. The transaction total accumulated in one year from acquiring or disposing (cumulative acquisitions and disposals, respectively) on the same project to develop real estate or right-of-use assets. 4. The transaction total accumulated in one year from acquiring or disposing (cumulative acquisitions and disposals, respectively) the same security. The above-stated “investment in the mainland China area” stated in first Paragraph of this Article refers to investments in the mainland China area approved by	entity. 2. Each of the above-stated transaction value is calculated by any of the following formula: (1) Total of each individual transaction (2) The transaction total of the same person accumulated in one year from acquiring or disposing the same type of targets (3) The transaction total accumulated in one year from acquiring or disposing (cumulative acquisitions and disposals, respectively) on the same project to develop real estate or right-of-use assets. (4) The transaction total accumulated in one year from acquiring or disposing (cumulative acquisitions and disposals, respectively) the same security. 3. Within one year as used in the preceding paragraph refers to the year preceding the base date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not to be entered 4. After declaring transactions based on regulation that the Company is required to announce and declare on websites appointed by <u>FSC</u> in regulated format within 2 days from the date on which known for the occurrence of any of the following incident (hereinafter “the occurrence date”) (1) Any change/termination/cancellation of the contracts related to the original transaction contract.	

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	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. The above-stated “the occurrence date” stated in first Paragraph of this Article, in principle, refers to the contract signature date of transactions, payment date, engaged transaction date, transmission date, resolution date of the BOD, or the date confirming other transaction counterparties or transaction price, whichever occurs first. However, for the investments requiring regulators’ approval, “the occurrence date” refers to any of the above dates or the date receiving regulator’s approval, whichever happens first. The “within one year” mentioned in Paragraph B refers to the one year before “the occurrence date”. The dates already announced may be exempt from the calculation. The Company should update the status of derivatives transaction of the Company, and subsidiaries of non-listed companies in Taiwan as of last month end to website appointed by regulators in regulated format prior to 10th of every month	(2) Any merger, demerger, acquisition, or transfer of shares is not completed by the due date subject to the contract. (3) Any changes in the announced content. If there is any mistake or omission in the required announced items and the correction is required, the Company shall make public announcement of all required items again within two days commencing from the day when the Company knows such mistake or omission 5. The above-stated “the occurrence date” stated in first Paragraph of this Article, in principle, refers to the contract signature date of transactions, payment date, engaged transaction date, transmission date, resolution date of the BOD, or the date confirming other transaction counterparties or transaction price, whichever occurs first. However, for the investments requiring regulators’ approval, “the occurrence date” refers to any of the above dates or the date receiving regulator’s approval, whichever happens first.	

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Article 7 :	Procedure to control acquisition or disposal of assets by subsidiaries 1. The Company should supervise each subsidiary to formulate a SOP regarding acquiring and disposing assets. 2. When each subsidiary acquire or dispose any asset, they should provide related data to the mother company and proceed with acquisition or disposal process after taking reference from the comments of related parties in the mother company. 3. For subsidiaries of the Company that are not listed companies and meeting the declaration requirements stipulated in Article 6 of the SOP, unless investment is their professional business and except for trading for securities in domestic/overseas stock exchange house or business areas of security companies, the Company should take care of the announcement and declaration details. 4. In the declaration requirements of the Company and its subsidiaries subject to the sentence “paid-in capital or total asset of the Company” refers to the	Related parties trading 1. When acquisition or disposal of real estate occurs between the Company and related parties, the Company should not only follow the rules of Article 5 and this Article on related resolution procedures and evaluating the reasonability of transaction conditions but also may provide the appraisal report made by professional appraiser or CPA’s comments as stated in Article 5 when the transaction amount is over 10% of the Company’s total asset. The calculation of the transaction amount shall be made in accordance with Article 5, paragraph (4) herein. 2. When acquisition or disposal of real estate and right-of-use assets occurs between the Company and related parties or the transaction amount of trading the assets aside from real estate or right-of-use assets is reaches 20% or more of the Company’s paid-in capital, 10% or more of total asset, or more than NT\$300 million, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds which is issued by domestic security investment trust entity, the Company may not proceed to enter into a transaction contract and make a payment until the following matters have been approved by <u>the audit committee and the board of directors</u>: (1) The purpose, necessity and estimated effectiveness of such acquisition or disposal of assets. (2) The reason(s) of choosing this related party for	Related party transactions (Articles 11 to 15) in Section 2 of the original Regulations are rearranged and combined into Article 7 of the new Regulations. Article 7 of the original Regulations has been moved to Article 11 of the new Regulations.

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	paid-in capital or total asset of the Company.	such transaction. (3) Acquiring real estate or right-of-use assets from related parties, related data on evaluating the estimated transaction condition in accordance with Paragraph (6), Paragraph (7), and Paragraph (8) of this Article (4) The original acquisition date and price of the related party, the relationship between the counterparty and its company and related party etc. (5) An estimate table of cash revenue/expenditure for the following 12 months after the estimate contract date, and evaluation on the necessity of the transaction and reasonability of capital utilization. (6) The appraisal report made by the professional appraiser or CPA's comments as stated in the previous paragraph. (7) The limitations of this transaction and other important agreements. 3. If the Company and its subsidiaries or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital engaged in the following transactions with each other is under NTD1,000 million, the chairman is authorized to determine the execution and then submitted to the board meeting to have it approved. (1) Obtain or dispose of equipment for business use or its right-of-use assets. (2) Acquiring or disposing of the real estate right-of-use assets for business use. 4. If the Company or the Company's subsidiary whose	

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		shares have not been domestic publicly issued has any transaction related to the paragraph (2) described whose amount reaches 10 percent or more of the Company's total asset, the Company should submit the relevant information to the shareholders meeting and gain the approval before entering into a transaction contract and making any payment. However, this restriction shall not apply to the transaction within the Company, the subsidiaries or its subsidiaries. 5. The calculation for the transaction amount of the paragraph (2) and aforementioned item shall abide by the paragraph 2 of Article 6. "Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly submitted to shareholders meeting, approved by the auditor committee and the Board of Directors need not be counted toward the transaction amount. 6. The Company shall evaluate the reasonability of transaction cost when acquiring real estate or right-of-use assets from related parties with the following methods and retain a certified public accountant to (i) check the reasonableness of the transaction costs made by the Company and (ii) issue the specific opinion thereon: (1) Other than the original transaction price, add all necessary interest incurred from the capital and costs liable for the buyer pursuant to related laws. The "necessary interest cost of funding" is based on the weighted average interest rate of the loan for assets procured of the same year. However, it should not exceed the highest interest	

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		rate among financial institutes promulgated by Ministry of Finance. (2) If any related has pledged a mortgage to any financial institute with the target asset, the financial institutes should have evaluated a total value of the target against the loan. However, the loan-to-value decided by the financial institute should be more than 70% and the loan period must exceed more than one year. Nonetheless, this rule does not apply to the case when any of the financial institute or transaction counterparty is the related party. When purchasing or leasing the lands and houses of the same target together with other parties, the Company should follow any of the above-stated methodologies to calculate the value of the lands and houses. 7. Under any of the following circumstances, acquisition of real property or right-of-use assets thereof from related party shall be conducted inaccordance with Paragraph (2) of this Article, and Paragraph (6) of this Article shall not apply. (1) The real estate or right-of-use assets was inherited or given to the related party. (2) The acquisition of the real estate or right-of-use assets (by contract) by the related party has exceeded more than 5 years of the contract date of the transaction. (3) The real estate was acquired from signing a joint construction contract with the related party, or through engaging a related party to build real property, either on the company's own land or on	

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		rented land. (4) The Company and its subsidiaries, or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital, acquire the real estate right-of-use assets for business use. 8. When the results of the Company's appraisal conducted in accordance with paragraph (6) are uniformly lower than the transaction price, the matter shall be handled in compliance with paragraph (9). However, 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: (1) Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions: A. 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,	

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		whichever is lower. B. Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices. (2) Where the Company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. The above stated “transactions in the same neighborhood”, in principle, refers to the area within 500 meters in the same, or adjacent, streets/roads, or any similar case based on publicly announced current value. The “similar areas,” in principle, refer to more than 50% of the areas of the transaction targets with non-related parties. The “one year” refers to 12 months prior to the de facto date of acquiring the real estate or right-of-use assets this time. 9. When the evaluation result of the Company based on paragraph (6), paragraph (7) and paragraph (8) for	

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		acquiring real estate or right-of-use assets from related parties is lower than the transaction price, the Company should comply with the following: (1) Pursuant to Paragraph 1 Article 41 of Securities & Exchange Act, the Company should reserve a special earned surplus for the difference between the transaction price and assessed cost of real estate or right-of-use assets. The Company should not distribute or reallocate the amount to recapitalization stocks. If the public company follows Equity Method for investments, the one should also reserve special earned surplus proportionally based on the regulation in Paragraph 1 Article 41 of Securities & Exchange Act. (2) <u>The Auditor Committee</u> should comply with the regulations in Article 218 of Company Act. (3) The Company should submit the follow-up status of Subparagraph 1 and 2 to Shareholders' Meeting and disclose the details of transactions in the Annual Report and Prospectus. The Company shall provide a special surplus reserve in accordance with the provisions of the preceding paragraph. The assets purchased or leased at a high price shall be recognized as a loss or disposed or termination of the lease or may be properly compensated or reinstated, or there is other evidence provided with no unreasonable situations, and with the consent of the FSC, the special surplus reserve shall be	

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		utilized. The 2 rules of the preceding two subparagraphs should be applicable when other evidence proving abnormal transactions is discovered when acquiring real estate or right-of-use assets from related parties.	
Article 8 :	Content of promulgation and declaration The Company should comply with regulators' related rules to declare the items requiring to be made public based on the afore-stated regulations.	Conducting the Derivative Transaction The Company shall conduct derivative transactions in accordance with the "Handling Procedures for Conducting Derivative Transactions."	Separated and stipulated the procedures for "Handling Procedures for Conducting Derivative Transactions" in Section 3 of the original regulations (Articles 16 to 22) from the "Acquisition or Disposal Procedures of Asset".
Article 9 :	Correction of announcement/declaration When the Company needs to make correction for any announcement items based on Article 6, the Company is required to make promulgation for the entire content again. After declaring transactions based on Article 6, the Company is required to announce and declare on	Corporate mergers, demergers, acquisitions, and transfer of shares 1. For any corporate merger, demerger, acquisition, or transfer of shares, the Company should engage accountants, lawyers or security underwriters to comment on the rationality on the proportion of equity swap, transaction price, cash dividend to the shareholders or other properties before BOD meeting.	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers, demergers, acquisitions, and

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	websites appointed by regulators in regulated format within 2 days from the date on which known for the occurrence of any of the following incident (hereinafter “the occurrence date”) 1. Any change/termination/cancellation of the contracts related to the original transaction contract. 2. Any merger, demerger, acquisition, or transfer of shares is not completed by the due date subject to the contract. 3. Any changes in the announced content.	And these comments should be submitted to the BOD for discussion and approval. But the Company mergers the subsidiary which issued shares or capital is directly or indirectly 100% be held by the Company, or mergers between subsidiaries which the Company separately holds 100% issued shares or capital, the provision above do not apply. 2. Prior to any merger, demerger, or acquisition that the Company participates, the Company should include the important content of the agreement and related items in a document, along with afore-stated professional comments and meeting notice, and distribute to the shareholders before the convention of Shareholders’ Meeting. This information will be the reference for shareholders on whether or not they would agree on the merger, demerger or acquisition. Unless otherwise stated in other laws, the mergers, demergers, or acquisitions of the Company requires the approval of the shareholders in Shareholders’ Meeting. In the case of failed convention of Shareholders’ Meeting as a result of insufficient number of attendants, insufficient voting rights or other legal restrictions for the Shareholders’ Meeting of any party involved with the merger, demerger, or acquisition, or the resolution/proposal related to the merger, demerger, or acquisition is denied by shareholders, both parties should immediately make announcement to the public and explain the reasons, follow-up process, and estimated date of the next Shareholders’ Meeting. 3. Unless otherwise indicated in other laws or any special reasons requiring pre-approval by the FSC, the	transfer of shares," are rearranged and combined into Article 9 of the new Regulations. Supplements and corrections involving public announcements have been moved to Article 6 of the new Regulations.

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		Company should convene the BOD meeting and Shareholders' Meeting on the same day with the company participating the mergers, demergers, or acquisition to decide related matters of such mergers, demergers, or acquisition. Unless otherwise indicated in other laws or any special reasons requiring pre-approval by the FSC, the Company should convene the BOD meeting and Shareholders' Meeting on the same day with the company participating the transfer of shares. 4. The Company and all the other participants or people informed of the plan of merger, demerger, acquisition, or transfer of shares should provide confidentiality agreement. Before releasing any message, they should not disclose the content of the plan to anyone. Nor should they subscribe to/sell the stocks of all the related companies in the merger, spin-off, acquisition or transfer of shares, or other equity-related securities in their own or others' names. 5. When the Company participates in a merger, demerger, acquisition, or transfer of shares, except for the following situations, the percentage of equity swap or acquisition price should not change without a reasonable rationale (and the changes should be noted in related contracts): (1) Capital injection by cash, issuance of convertible corporate bonds, non-payment dividends, issuance of equity warrant bonds, equity warrant special shares, equity warrants and other equity-related securities.	

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		(2) Any disposing of assets imposing major impacts to the Company's financial status. (3) Any major disaster or great revolution of technologies that heavily impacts the equities or securities' price of the shareholders. (4) Any of the companies participating in the merger, demerger, acquisition, or transfer of shares purchase treasury stock. (5) The entity of the companies participating in the merger, demerger, acquisition, or transfer of shares or the number of branch areas has changed. (6) Other conditions pursuant to changes in the contract and disclosed to the public. 6. When the Company participates in a merger, demerger, acquisition, or transfer of shares, the related contract should specify the rights and obligations of the Company and the following: (1) Handling of contract breaking. (2) Handling principles for issued equity-related securities or purchased treasury stock from the merged or demerged companies. (3) Handling principles of purchasing treasury stocks (and the number of such acquisition) after equity swap date by the participating company. (4) Handling methods for any changes of the participating entity or number of business areas.	

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		(5) Estimate execution progress and complete dates. (6) Handling procedures of an estimate Shareholders' Meeting in case the project fails to meet the deadline of completion. 7. If any party participating the merger, demerger, acquisition, or transfer of shares plans to conduct another merger, demerger, acquisition, or transfer of shares after disclosing the information for the transaction, unless 1) the number of participating entities reduces and the Shareholders' Meeting has concluded to authorize to the BOD on changing delegations, or 2) the Shareholder's Meeting has concluded the participating company is exempt from convening another Shareholder's Meeting for another resolution; the completed procedures or legal acts in the transaction should be repeated by all the participating companies. 8. The Company should retain the following information in a complete written form for 5 years in case of future inspection when participating in any merger, spin-off, acquisition or transfer of shares: (1) Basic profile of people: Including the titles, names, ID numbers (or passport numbers for foreigners) of everyone participating or executing the mergers, demergers, acquisitions, or transfer of shares prior to the announcement of such news.	

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		(2) Important dates: Including the dates of signing the letter of intent or MOU, engagement for financial or legal consultants, signing the contracts, and BOD meeting. (3) Important documents and meeting notes: Including the plan of mergers, demergers, acquisitions, or transfer of shares, letter of intent or MOU, important contracts and meeting notes of BOD meetings etc. 9. In the case of participating mergers, demergers, acquisitions, or transfer of shares, The Company should upload the information stated in Subparagraphs 1 and 2 within 2 days after the occurrence date of the BOD approving the resolution to the internet system in regulated format for FSC's future review. 10. If the company participating in the Company's merger, demerger, acquisition, or transfer of shares is not a listed/OTC Company, the Company should sign an agreement with the company and process according to the stipulation in foresaid Paragraphs (8) and Paragraphs (9). 11. If any participating company in the merger, demerger, acquisition or transfer of shares is a not a public company, the Company should sign an agreement with the non-public company pursuant to Paragraphs 3, 4,7 and 8 of this Article.	
Article 10 :	Data retention When the Company acquires or disposes any asset, the Company should retain all related contracts, meeting notes, records, appraisal reports, letter of comments by the CPAs,	Total amounts of real property and right-of-use assets thereof or securities acquired by the Company for the purpose rather than business use, and limits on individual securities shown in the Attachment, namely, "Authorization	Article 10 of the original Regulations has been moved to

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	lawyers or security underwriters in the Company. Unless otherwise stipulated by laws, all the documents should be preserved for at least 5 years.	Schedule for Acquisition or Disposal of Assets and the Limits on Securities Investment”	Article 9. The Authorization Schedule and limit are presented in appendix instead.
Section 2	Section 2 Related parties trading	(delete)	Deleted the section
Article 11 :	When acquisition or disposal of real estate occurs between the Company and related parties, the Company should not only follow the rules of this Section on related resolution procedures and evaluating the reasonability of transaction conditions but also may provide the appraisal report made by professional appraiser or CPA’s comments as stated in previous section when the transaction amount is over 10% of the Company’s total asset. The transaction amount mentioned in the previous paragraph should be calculated in accordance with the regulations stated in paragraph 4 of Act. 3. When judging whether the transaction counterparty is a related party or not, the Company should consider not only legal ties with the counterparty, but also de facto relationship.	Procedure to control acquisition or disposal of assets by subsidiaries 1. The Company’s subsidiary shall adopt in compliance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” and adopt and implement the procedures for the acquisition or disposal of assets after consulting with the Company’s opinions. The same shall apply to amendments to such Handling Procedures. 2. The Company shall supervise its subsidiaries to check whether the subsidiary’s own handling procedures for acquisition or disposal of assets” are in compliance with the relevant law and regulations or not and whether the subsidiary acquires and disposes the assets in accordance with such subsidiary’s own handling procedures for acquisition and disposal of assets. The auditing unit of the Company shall incorporate acquisition and disposal of assets by subsidiaries in the scope of auditing and audit periodically and aperiodically . Review and check the examination reports produced by itself. 3. Information required to be publicly announced and reported in accordance with the “Regulations	Article 7 of the original Regulations has been moved to Article 11 of the new Regulations. Articles 11 to 15 of the original Regulations have been rearranged and combined into Article 7 of the new Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
		Governing the Acquisition and Disposal of Assets by Public Companies” 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. 4. In the declaration requirements of the company's subsidiaries subject to the sentence “paid-in capital or total asset of the Company” refers to the paid-in capital or total asset of the Company.	
Article 12 :	When acquisition or disposal of real estate and right-of-use assets occurs between the Company and related parties or the transaction amount of trading the assets aside from real estate or right-of-use assets is reaches 20% or more of the Company’s paid-in capital, 10% or more of total asset, or more than NT\$300 million, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds which is issued by domestic security investment trust entity. The Company should submit the following information to the BOD for approval and recognition by the supervisors to before signing the contract and paying the amount: 1. The purpose, necessity and estimated effectiveness of such acquisition or disposal of assets.	Penalty If any manager or person in-charge of the acquisition or disposal of assets violates the Handling Procedures or “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” and causes serious damages to the Company shall be handled in accordance with the internal policy on performance review and reward/penalty. If any execution staff related to the Company violates the above-stated SOP or handing principles, he or she should follow the internal policy on performance review and reward/penalty.	Article 32 of the original Regulations has been moved to Article 12. Articles 11 to 15 of the original Regulations have been rearranged and combined into Article 7 of the new Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	2. The reason(s) of choosing this related party for such transaction. 3. Acquiring real estate or right-of-use assets from related parties, related data on evaluating the estimated transaction conditions based on Article 13 and 14. 4. The original acquisition date and price of the related party, the relationship between the counterparty and its company and related party etc. 5. An estimate table of cash revenue/expenditure for the following 12 months after the estimate contract date, and evaluation on the necessity of the transaction and reasonability of capital utilization. 6. The appraisal report made by the professional appraiser or CPA's comments as stated in the previous paragraph. 7. The limitations of this transaction and other important agreements. If the Company and its subsidiaries or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital engaged in the following transactions with each other is under NTD1,000 million, the chairman is authorized to determine the execution and then		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	submitted to the board meeting to have it approved. 1. Obtain or dispose of equipment for business use or its right-of-use assets. 2. Acquiring or disposing of the real estate right-of-use assets for business use. When the Company has independent director in place, the Company should consider each independent director's comment when submitting any application of acquiring and disposing assets to the BOD for discussion. In case of any objection or comment to put hold of the application, the meeting notes of the BOD should be noted. When the Company has formulated the Audit Committee, any matters requiring supervisors' recognition per Paragraph 1 should receive approval from 50% members of the Audit Committee and submit to the BOD for approval. The afore-stated cases should obtain concurrence of 2/3 members from the BOD' directors if they do not receive the approval from 50% members in Audit Committee. And this situation, along with the resolution of Audit Committee, should be noted in meeting notes. The afore-stated "Audit Committee members" and		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	afore-stated “all directors” refer to those who are currently performing their duties. If the Company or the Company’s subsidiary whose shares have not been domestic publicly issued has any transaction related to the first item described whose amount reaches 10 percent or more of the Company’s total asset, the Company should submit the relevant information to the shareholders meeting and gain the approval before entering into a transaction contract and making any payment. However, this restriction shall not apply to the transaction within the Company, the subsidiaries or its subsidiaries. The calculation for the transaction amount of the first item and aforementioned item shall abide by the paragraph 2 of Article 6. “Within the preceding year” refers to the year preceding the date of occurrence of the current transaction. Items duly submitted to shareholders meeting, approved by the Board of Directors and recognized by the supervisors need not be counted toward the transaction amount.		
Article 13 :	The Company should evaluate the reasonability of transaction cost when acquiring real estate or right-of-use assets from related parties with the following methods: 1. Other than the original transaction price, add all	Enactment of or amendment to the Handling Procedures shall be approved by a majority of all members of the Audit Committee and further submitted to the board of directors for resolution. If enactment of or amendment to the Handling Procedures is not approved by a majority of all members of the Audit Committee, alternatively, such may be	Articles 11 to 15 of the original Regulations have been rearranged and combined into Article 7 of

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	necessary interest incurred from the capital and costs liable for the buyer pursuant to related laws. The “necessary interest cost of funding” is based on the weighted average interest rate of the loan for assets procured of the same year. However, it should not exceed the highest interest rate among financial institutes promulgated by Ministry of Finance. 2. If any related has pledged a mortgage to any financial institute with the target asset, the financial institutes should have evaluated a total value of the target against the loan. However, the loan-to-value decided by the financial institute should be more than 70% and the loan period must exceed more than one year. Nonetheless, this rule does not apply to the case when any of the financial institute or transaction counterparty is the related party. When purchasing or leasing the lands and houses of the same target together with other parties, the Company should follow any of the above-stated methodologies to calculate the value of the lands and houses. The Company should evaluate the cost of real estate or right-of-use assets subject to Paragraph 1 and 2 when acquiring real estate or right-of-use assets from related	approved by two-thirds of all directors, provided that in such case, the resolutions adopted by the Audit Committee shall be recorded in the minutes of the meeting of the board of directors. If for a legitimate reason it is impossible to hold a meeting of the Committee, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire board of directors. The Handling Procedures shall be approved by the board of directors and further submitted to the shareholders meeting for approval and will become effective afterwards. The same shall apply to amendments to the Handling Procedures. “All members of the Audit Committee” referred to in the Handling Procedures and “all directors” referred to in the preceding paragraph shall mean the actual number of the committee members/directors.	the new Regulations. Some provisions of Article 33 of the original Regulations have been rearranged and moved to Article 13 of the new Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	parties, and consult with CPA for review and issue definitive comments. When any of the following situations applies to the acquisition of real estate or right-of-use assets by the Company, Article 12, instead of the afore-stated 3 regulations, shall be the basis: 1. The real estate or right-of-use assets was inherited or given to the related party. 2. The acquisition of the real estate or right-of-use assets (by contract) by the related party has exceeded more than 5 years of the contract date of the transaction. 3. The real estate was acquired from signing a joint construction contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land. 4. The Company and its subsidiaries, or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital, acquire the real estate right-of-use assets for business use		
Article 14 :	The Company should follow the regulations in Article 15	The Handling Procedures were enacted at the promoters' meeting on August 7, 2020.	Articles 11 to 15 of the original

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	when the evaluation result is lower than the actual transaction price following the assessment standards in Paragraph 1 and 2 in the afore-stated article. However, such rule does not apply to any of the following, especially when object evidence is provided and the professional appraiser of real estate and CPA both issue comments on the reasonability of such transaction: 1. The related party provides evidence subject to any of the following criteria when acquiring pure lands and initiate construction: (1) For pure lands, the rules of the above-stated article shall apply. For houses, the sum of the building cost and a reasonable construction profit for the related party exceeds the actual transaction price. The “reasonable construction profit” refers to the average operating gross rate of the construction department of the related party in the recent three years or the gross rate of construction industry announced by Ministry of Finance, whichever is lower. (2) Any other cases of transaction with non related parties for the other floors of the target’s housing lands or adjacent areas with similar	The 1st amendment was made on August 11, 2021. The 2nd amendment was made on May 31, 2022. The 3rd amendment was made on May 24, 2024.	Regulations have been rearranged and combined into Article 7 of the new Regulations. Added the latest amendment date.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	areas. And the transaction conditions are similar to the case of the related party based on the transaction practices of real estate or lease in terms of the reasonable number of floors or after evaluating the price differentiation of the same area. 2. The real estate by purchasing or by leasing to acquire the right-of-use assets which the evidence is proposed by the Company has transaction conditions similar to other cases of transactions with non related parties in the same neighborhood in a year and with similar areas. 3. The above stated “transactions in the same neighborhood”, in principle, refers to the area within 500 meters in the same, or adjacent, streets/roads, or any similar case based on publicly announced current value. The “similar areas,” in principle, refer to more than 50% of the areas of the transaction targets with non-related parties. The “one year” refers to 12 months prior to the de facto date of acquiring the real estate or right-of-use assets this time		
Article 15 :	When the evaluation result of the Company based on		Articles 11 to 15 of the original

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	Article 13 and 14 for acquiring real estate or right-of-use assets from related parties is lower than the transaction price, the Company should comply with the following: 1. Pursuant to Paragraph 1 Article 41 of Securities & Exchange Act, the Company should reserve a special earned surplus for the difference between the transaction price and assessed cost of real estate or right-of-use assets. The Company should not distribute or reallocate the amount to recapitalization stocks. If the public company follows Equity Method for investments, the one should also reserve special earned surplus proportionally based on the regulation in Paragraph 1 Article 41 of Securities & Exchange Act. 2. The supervisors should comply with the regulations in Article 218 of Company Act. 3. The Company should submit the follow-up status of Subparagraph 1 and 2 to Shareholders' Meeting and disclose the details of transactions in the Annual Report and Prospectus. The Company shall provide a special surplus reserve in accordance with the provisions of the preceding paragraph. The assets purchased or leased at a high		Regulations have been rearranged and combined into Article 7 of the new Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	price shall be recognized as a loss or disposed or termination of the lease or may be properly compensated or reinstated, or there is other evidence provided with no unreasonable situations, and with the consent of the competent authority, the special surplus reserve shall be utilized. The 2 rules of the above-stated paragraphs should be applicable when other evidence proving abnormal transactions is discovered when acquiring real estate or right-of-use assets from related parties		
Section 3	Section 3 Derivatives Transaction	(delete)	Deleted the section
Article 16 :	Transaction principles and policies 1. Transaction types: The derivatives transactions of the Company refers to the contracts of which the value derives from specific interest rates, price of financial tools, merchandise prices, exchange rates, indices, price or rate index, credit rating, or credit index or other index, including forwards (excluding insurance contracts, guaranty of contract, after-sale service guarantee, long-term lease contracts and long-term purchasing/sales contracts), options contracts, futures contracts, Leverage margin contract, swap contracts, hybrid contracts combining the above		The Handling procedures for “Conducting Derivative Transactions” in Section 3 of the original Regulations (Articles 16 to 22) are described in Article 8 of the New Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	contracts; or hybrid contracts or structured products containing embedded derivatives. Any other products require the approval from the chairman before transaction. 2. Management or hedging strategies: Transaction of derivatives should focus on hedging; the targets of the transactions should also be banks having business relationship with the Company to avoid credit risk. 3. Delegation: (1) Treasury Department: Treasury Department is responsible for FX management system, such as collecting market information, judging the market trend and risks, becoming familiar with financial products and transaction skills etc. Treasury Department, under the instruction of its head, is authorized to control FX positions based on the Company's internal policy on risk hedging. (2) Accounting Department: Accounting Department controls the entire FX position, settles the realized and unrealized exchange P/L on a regular basis for Treasury Department to		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	decide their hedging practices. 4. Evaluation of performance: For any transaction on derivatives, the trader(s) should mark down the details (such as amount, exchange rate, banks, maturity date etc) on the summary of unwinding position in order to control P/L. In addition, the FX exchange P/L should be settled on a monthly, quarterly and annually basis. 5. Total facility of master agreement and all/individual loss limit: (1) Total facility of master agreement shall be pursuant to the risk position (net) of the Company. (2) All/individual loss limit: The trading on derivatives of the Company is for hedging purpose. The loss cap for all/individual contract is 15% of the contract value. However, in the case of any major negative impact related to exchange rates or interest rates, the Company should convene a meeting to gather all related parties and discuss solutions.		
Article 17 :	SOP The derivatives transaction of the Company is practiced as the following delegations:		The Handling procedures for "Conducting Derivative

Article No.	Original Articles	Amended Articles	Reasons for Amendments										
	1. Facilities authorization: (1) Forwards (including non-principal settlement): <table><tr><td>Delegation</td><td>Facilities authorization for each trading</td></tr><tr><td>Head of Treasury Department</td><td>under (including) US\$1 million</td></tr><tr><td>President</td><td>under (including) US\$3 million</td></tr><tr><td>Chairman</td><td>under (including) US\$5 million</td></tr><tr><td>BOD</td><td>Above(excluding) US\$5 million</td></tr></table> (2) Other related derivatives products require the approval from the BOD before trading. 2. Execution unit: The specialists in Treasury Department are authorized to perform trading.	Delegation	Facilities authorization for each trading	Head of Treasury Department	under (including) US\$1 million	President	under (including) US\$3 million	Chairman	under (including) US\$5 million	BOD	Above(excluding) US\$5 million		Transactions” in Section 3 of the original Regulations (Articles 16 to 22) are described in Article 8 of the New Regulations.
Delegation	Facilities authorization for each trading												
Head of Treasury Department	under (including) US\$1 million												
President	under (including) US\$3 million												
Chairman	under (including) US\$5 million												
BOD	Above(excluding) US\$5 million												
Article 18 :	Internal control system 1. Measures of risk management:		The Handling procedures for “Conducting										

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	(1) Consideration of credit risks: The counterparties of our transactions are limited to banks having business relationship with the Company and with reputable credit history, provided that they are capable for offering professional information. (2) Consideration of market price-related risks: Given the fluctuation of market price for derivatives, after confirmation a position, the Company should monitor the possible loss at all times, and convene a management-level meeting when necessary to come up with counter measures. (3) Consideration of liquidity: To ensure sound liquidity, the banks serving as the Company's counterparties must possess sufficient equipment, information and trading capabilities. The targets of trading should be general and common. (4) Consideration of cash flow-related risks: To ensure liquidity in the market, when choosing financial products, the financial institutes must possess sufficient equipment, information and		Derivative Transactions" in Section 3 of the original Regulations (Articles 16 to 22) are described in Article 8 of the New Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	trading capability. The traders should also monitor the cash flow of companies to ensure they have enough cash for payment upon settlement. (5) Consideration of operations: All transactions should abide by the delegated cap and SOP. (6) Consideration on laws: Any documents signed with banks should be reviewed by legal experts. 2. Internal control: (1) Traders, registrants and settlers may not work as each other's acting or duplicate job function. (2) The registrants should confirm the accounting book or legal certificates with banks. (3) The registrants should specify details of trading on the summary of unwinding positions (amount, exchange rate, banks, and maturity date) and the auditors should focus on whether the total transaction amount and SOP are compliant with internal rules. 3. Regular evaluation: (1) The traders should request the counterparties (banks) to provide pricing of all types of trading		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	details and current exchange rate, and evaluate P/L twice a month (in the middle and end of each month) before submitted to the head of Treasury Department for review and approval. (2) The P/L should be settled based on market value on quarterly, semi-annually and annually basis and disclosed in financial statements.		
Article 19 :	Internal audit system The internal auditors should understand the rationality of internal control on a regular basis and write an audit report after auditing trading department's compliance with the procedure. The audit report should be merged with the annual inspection plan of internal audit. Any major violation should be notified to each supervisor in a written notice and upload the afore-stated audit report, along with the implementation status of annual inspection project on internal audit, to the website appointed by regulators prior to February end of the following year.		The Handling procedures for "Conducting Derivative Transactions" in Section 3 of the original Regulations (Articles 16 to 22) are described in Article 8 of the New Regulations.
Article 20 :	Methods of regular assessment and handling abnormal situations 1. The BOD appoints senior managers to monitor at all times the supervision and control of risks related to derivatives transaction. The BOD should also evaluate whether the performance of such trading		The Handling procedures for "Conducting Derivative Transactions" in Section 3 of the original Regulations

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	is subject to the existing management strategies and whether the risk tolerance is acceptable. 2. The BOD authorizes senior managers to evaluate whether the current risk management measures are appropriate and compliant with the procedure on a regular basis. Supervise trading and P/L. Upon any discovery of abnormal cases, the head of Treasury Department should adopt necessary measures and report to the BOD immediately. If independent directors are in place, the BOD should invite independent directors to attend the meeting and express their opinions		(Articles 16 to 22) are described in Article 8 of the New Regulations.
Article 21 :	Announcement of information 1. If any trading of derivatives suffers loss up to the entire loss limit of the procedure or the cap of the individual contract, the Company is required to announce related information on the website appointed by the regulators within 2 days after the occurrence date. 2. Prior to the 10th of each month, the Company should upload the status of derivatives trading of the Company and subsidiaries of non-listed companies as of last month end to the website		The Handling procedures for “Conducting Derivative Transactions” in Section 3 of the original Regulations (Articles 16 to 22) are described in Article 8 of the New Regulations.

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	appointed by the regulators with regulated format		
Article 22 :	For derivatives transactions, the Company should prepare a record book to detail the category summary, amount, approval date of the BOD, and items of regular evaluation on the transactions into the record book.		The Handling procedures for “Conducting Derivative Transactions” in Section 3 of the original Regulations (Articles 16 to 22) are described in Article 8 of the New Regulations.
Section 4	Section 4 Corporate mergers, demergers, acquisitions, and transfer of shares	(delete)	Deleted the section
Article 23 :	The “assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law” in the Procedures refers to the assets acquired or disposed subject to Business Mergers and Acquisitions Act, Financial Holding Company Act, The Financial Institutions Merger Act or other laws via corporate merger, demergers, acquisition, or transferred company shares (hereinafter “transfer of shares”) via new issuance subject to Article 156-3 of Company Act.	(delete)	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers, demergers, acquisitions, and transfer of shares" are rearranged and combined into Article 9 of the new Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
Article 24 :	For any corporate merger, demerger, acquisition, or transfer of shares, the Company should engage accountants, lawyers or security underwriters to comment on the rationality on the proportion of equity swap, transaction price, cash dividend to the shareholders or other properties before BOD meeting. And these comments should be submitted to the BOD for discussion and approval. But the Company mergers the subsidiary which issued shares or capital is directly or indirectly 100% be held by the Company, or mergers between subsidiaries which the Company separately holds 100% issued shares or capital, the provision above do not apply.	(delete)	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers, demergers, acquisitions, and transfer of shares" are rearranged and combined into Article 9 of the new Regulations.
Article 25 :	Prior to any merger, demerger, or acquisition that the Company participates, the Company should include the important content of the agreement and related items in a document, along with afore-stated professional comments and meeting notice, and distribute to the shareholders before the convention of Shareholders' Meeting. This information will be the reference for shareholders on whether or not they would agree on the merger, demerger or acquisition. Unless otherwise stated in other laws, the mergers, demergers, or acquisitions of the Company requires the approval of the shareholders in Shareholders' Meeting.	(delete)	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers, demergers, acquisitions, and transfer of shares" are rearranged and combined into Article 9 of the new Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	In the case of failed convention of Shareholders' Meeting as a result of insufficient number of attendants, insufficient voting rights or other legal restrictions for the Shareholders' Meeting of any party involved with the merger, demerger, or acquisition, or the resolution/proposal related to the merger, demerger, or acquisition is denied by shareholders, both parties should immediately make announcement to the public and explain the reasons, follow-up process, and estimated date of the next Shareholders' Meeting.		
Article 26 :	Unless otherwise indicated in other laws or any special reasons requiring pre-approval by the regulators, the Company should convene the BOD meeting and Shareholders' Meeting on the same day with the company participating the mergers, demergers, or acquisition to decide related matters of such mergers, demergers, or acquisition. Unless otherwise indicated in other laws or any special reasons requiring pre-approval by the regulators, the Company should convene the BOD meeting and Shareholders' Meeting on the same day with the company participating the transfer of shares. The Company should retain the following information in a complete written form for 5 years in case of future inspection when participating any merger, spin-off, acquisition or transfer of shares:	(delete)	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers, demergers, acquisitions, and transfer of shares" are rearranged and combined into Article 9 of the new Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	1. Basic profile of people: Including the titles, names, ID numbers (or passport numbers for foreigners) of everyone participating or executing the mergers, demergers, acquisitions, or transfer of shares prior to the announcement of such news. 2. Important dates: Including the dates of signing letter of intent or MOU, engagement for financial or legal consultants, signing the contracts and BOD meeting. 3. Important documents and meeting notes: Including the plan of mergers, demergers, acquisitions, or transfer of shares, letter of intent or MOU, important contracts and meeting notes of BOD meetings etc. In the case of participating mergers, demergers, acquisitions, or transfer of shares, The Company should upload the information stated in Subparagraph 1 and 2 within 2 days after the occurrence date of the BOD approving the resolution to the internet system in regulated format for FSC's future review. If the company participating in the Company's merger, demerger, acquisition, or transfer of shares is not a listed/OTC Company, the Company should sign an agreement with the company and process according to		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	the stipulation in foresaid two Paragraphs		
Article 27 :	The Company and all the other participants or people informed of the plan of merger, demerger, acquisition, or transfer of shares should provide confidentiality agreement. Before releasing any message, they should not disclose the content of the plan to anyone. Nor should they subscribe to/sell the stocks of all the related companies in the merger, spin-off, acquisition or transfer of shares, or other equity-related securities in their own or others' names.	(delete)	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers, demergers, acquisitions, and transfer of shares" are rearranged and combined into Article 9 of the new Regulations.
Article 28 :	When the Company participates in a merger, demerger, acquisition, or transfer of shares, except for the following situations, the percentage of equity swap or acquisition price should not change without a reasonable rationale (and the changes should be noted in related contracts): 1. Capital injection by cash, issuance of convertible corporate bonds, non-payment dividends, issuance of equity warrant bonds, equity warrant special shares, equity warrants and other equity-related securities.	(delete)	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers, demergers, acquisitions, and transfer of shares" are rearranged and combined into Article 9 of the new Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	2. Any disposing of assets imposing major impacts to the Company's financial status. 3. Any major disaster or great revolution of technologies that heavily impact the equities or securities' price of the shareholders. 4. Any of the companies participating in the merger, demerger, acquisition, or transfer of shares purchase treasury stock. 5. The entity of the companies participating in the merger, demerger, acquisition, or transfer of shares or the number of branch areas has changes. 6. Other conditions pursuant to changes in the contract and disclosed to the public.		
Article 29 :	When the Company participates in a merger, demerger, acquisition, or transfer of shares, the related contract should specify the rights and obligations of the Company and the following: 1. Handling of contract breaking. 2. Handling principles for issued equity-related securities or purchased treasury stock from the merged or demerged companies. 3. Handling principles of purchasing treasury stocks (and the number of such acquisition) after equity	(delete)	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers, demergers, acquisitions, and transfer of shares" are rearranged and combined into Article 9 of the new

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	swap date by the participating company. 4. Handling methods for any changes of the participating entity or number of business areas. 5. Estimate execution progress and complete dates. 6. Handling procedures of an estimate Shareholders' Meeting in case the project fails to meet the deadline of completion		Regulations.
Article 30 :	If any party participating the merger, demerger, acquisition, or transfer of shares plans to conduct another merger, demerger, acquisition, or transfer of shares after disclosing the information for the transaction, unless 1) the number of participating entities reduces and the Shareholders' Meeting has concluded to authorize to the BOD on changing delegations, or 2) the Shareholder's Meeting has concluded the participating company is exempt from convening another Shareholder's Meeting for another resolution; the completed procedures or legal acts in the transaction should be repeated by all the participating companies.	(delete)	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers, demergers, acquisitions, and transfer of shares" are rearranged and combined into Article 9 of the new Regulations.
Article 31 :	If any participating company in the merger, demerger, acquisition or transfer of shares is a not a public company, the Company should sign an agreement with the non-public company pursuant to Articles 26, 27 and 30.	(delete)	The procedures (Articles 23 to 31) in Section 4 of the original Regulations, "Corporate mergers,

Article No.	Original Articles	Amended Articles	Reasons for Amendments
			demergers, acquisitions, and transfer of shares" are rearranged and combined into Article 9 of the new Regulations.
Article 32 :	Penalty If any director, supervisor or manager of the Company breaches any rule in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and indemnify the Company, he or she should be discharged of duty. If any execution staff related to the Company violates the above-stated SOP or handling principles, he or she should follow the internal policy on performance review and reward/penalty.	(delete)	Article 32 of the original Regulations has been moved to Article 12.
Article 33 :	The SOP, and any amendment thereto, should be put into force after approve by the BOD and Shareholders' Meeting, and submitted to each supervisor. If any director expresses objection with a record or written statement the Company should submit such objections to each supervisor. When the Company has independent directors in place, the Company should consider each independent director's comment when submitting any application of acquiring and disposing assets to the BOD for	(delete)	Some provisions of Article 33 of the original Regulations have been rearranged and moved to Article 13 of the new Regulations. Some definitions have been moved to Article 3

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	discussion. In case of any objection or comment to put hold of the application, the meeting notes of the BOD should be noted. When the Company has formulated the Audit Committee, any major transaction of assets or derivatives should receive approval from 50% of the Audit Committee and submit to the BOD for approval. The afore-stated cases should obtain concurrence of 2/3 members from the BOD' directors if they do not receive the approval from 50% members in Audit Committee. And this situation, along with the resolution of Audit Committee, should be noted in meeting notes. The afore-stated "Audit Committee members" and afore-stated "all directors" refer to those who are currently performing their duties. When the Company has Audit Committee in place, Paragraph 3 Article 14 in Securities and Exchange Act should be applicable to the supervisors in Audit Committee and Paragraph 3 Article 14-4 of Securities and Exchange Act should be applicable to the independent directors of Audit Committee. Related party or subsidiary as defined in the Regulations Governing the Preparation of Financial Reports by		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	Securities Issuers. 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. The definitions of the procedures for domestic and overseas stock exchanges or OTC's business premises are as follows: 1. 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. 2. 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		

Article No.	Original Articles	Amended Articles					Reasons for Amendments																				
	by the foreign competent authority and that is permitted to conduct securities business.																										
Appendix	None	(Appendix) Authorization Schedule for Acquisition or Disposal of Assets and the Limits on Securities Investment unit : NTD <table><tr><th>Asset Item</th><th>Approver</th><th>Authority</th><th>Aggregate Investment Limit</th><th>Individual Investment Limit</th></tr><tr><td>Real property or right-of-use assets thereof not for business use</td><td>Board of Director</td><td></td><td>10% of the equity</td><td></td></tr><tr><td>Strategic securities</td><td>Board of Director Chairman</td><td>exceed 300 millions below 300 millions</td><td>150% of the equity</td><td>50% of the equity</td></tr><tr><td>Short-term securities (note)</td><td>Chairman President</td><td>exceed 100 millions below 100 millions</td><td>150% of the equity</td><td>50% of the equity</td></tr></table> Note : Except for the purpose of short-term security is for Short-term fund transfer, it includes buy/sell short-term notes, repo/resell bounds. Explanation : The "equity" means the equity attributable to stockholders of the Company on the balance sheet.					Asset Item	Approver	Authority	Aggregate Investment Limit	Individual Investment Limit	Real property or right-of-use assets thereof not for business use	Board of Director		10% of the equity		Strategic securities	Board of Director Chairman	exceed 300 millions below 300 millions	150% of the equity	50% of the equity	Short-term securities (note)	Chairman President	exceed 100 millions below 100 millions	150% of the equity	50% of the equity	The approval authority and limit of various types of assets in Articles 4 and 5 of the original Regulations are now presented in the appendix instead.
Asset Item	Approver	Authority	Aggregate Investment Limit	Individual Investment Limit																							
Real property or right-of-use assets thereof not for business use	Board of Director		10% of the equity																								
Strategic securities	Board of Director Chairman	exceed 300 millions below 300 millions	150% of the equity	50% of the equity																							
Short-term securities (note)	Chairman President	exceed 100 millions below 100 millions	150% of the equity	50% of the equity																							

Attachment 12

ENNOSTAR Inc.
Procedures for Loaning Funds to Other Parties
Comparison Table for Amendments

Article No.	Original Articles	Amended Articles	Reasons for Amendments
Regulation name	Procedures for Loaning Funds to Other Parties	<u>Handling</u> Procedures for Loaning Funds to Other Parties	Modified Regulation name
Article 1:	<u>Legal reference</u> <u>The Procedure is compliant with Securities & Exchange Act and other related regulations of competent authorities.</u>	<u>Purpose</u> <u>In order to provide specific operating rules in respect of capital lending by the Company, the Handling Procedures are enacted in accordance with the “Guidelines for Handling Capital Lending, Endorsements and Guarantees Made by Public Companies” promulgated by the Financial Supervisory Commission (“FSC”).</u>	Stipulated the purpose and basis
Article 2:	Targets Based on Article 15 of Company Act, except for the following situations, the funding of the Company should not loan to any shareholders or others: 1. The companies or firms having business relationship with the Company. 2. Companies or firms with the demand for short-term financing. The so-called “short-term” refers to one year or one business cycle (whichever is longer). The so-called “financing” amount refers	Targets Based on Article 15 of Company Act, except for the following situations, the funding of the Company should not loan to any shareholders or others: 1. The companies or firms having business relationship with the Company. 2. Companies or firms with the demand for short-term financing. The so-called “short-term” refers to one year or one business cycle (whichever is longer). The so-called “financing” amount refers	The Company directly or indirectly, 100% owned overseas subsidiaries engaged in loans of funds between inter-company, or the Company directly or indirectly 100% owned overseas subsidiaries to

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	to the cumulative balance of the Company's short-term funding for financing. <u>Foreign companies of which the Company directly or indirectly holds shares for 100% voting rights may loan to each other, or the foreign companies of which the Company directly or indirectly holds shares for 100% voting rights may loan to the Company and the restriction of paragraph 1 Article 4 shall not be applicable. But the total amount of loans and limits of loans to individual shall not exceed forty percent (40%) of the Company's net worth, and the duration of loans shall not be longer than three years.</u> The person in charge of the company who violates the provisions of paragraph 1 shall be responsible for the return of the loan jointly and severally with the borrower; if the company suffers damage, the person in charge shall also be liable for damages	to the cumulative balance of the Company's short-term funding for financing. The person in charge of the company who violates the provisions of paragraph 1 shall be responsible for the return of the loan jointly and severally with the borrower; if the company suffers damage, the person in charge shall also be liable for damages.	loans of fund to the Company, authorize its' subsidiaries shall prescribe limits on the aggregate amount of such loans and on the amount of such loans permitted to a single borrower, and shall specify limits on the durations of such loans.
Article 4:	Limit of total facility of loan and individual target 1. The total facility of the Company to other companies or firms The total facility of loan of the Company to other companies of firms should be limited to 30% of the net worth of the Company; <u>however, in the case of loans to other companies or firms with the</u>	Limit of total facility of loan and individual target 1. The total facility of the Company to other companies or firms The total facility of loan of the Company to other companies of firms should be limited to 30% of the net worth of the Company.	Modified words.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>necessity of short-term financing demand, the Company should only approve loans up to 10% of the Company's net worth.</u> 2. The total facility of loan to individual company or firm (1) For company or firm who has business relationship with the Company, the individual loan should not exceed the total transaction amount between both parties in the most recent year. The so-called "total transaction amount" refers to purchase or sales amount, whichever is higher. (2) For companies or firms with the necessity of short-term financing, the Company should not loan more than 10% of the Company's net worth for each individual case.	2. The total facility of loan to individual company or firm (1) For company or firm who has business relationship with the Company, the individual loan should not exceed the total transaction amount between both parties in the most recent year. The so-called "total transaction amount" refers to purchase or sales amount, whichever is higher. (2) For companies or firms with the necessity of short-term financing, the Company should not loan more than 10% of the Company's net worth for each individual case, <u>and the aggregate outstanding amount of capital lending shall not exceed 10 percent of the Company's net worth.</u> 3. <u>The restriction in the preceding paragraph shall not apply to inter-company loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares, nor to loans of fund to the Company by any overseas company in which the Company holds, directly or indirectly, 100% of the voting shares. However, the Company's subsidiaries shall still prescribe limits on the aggregate amount of such loans and on the amount of such loans</u>	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
		<u>permitted to a single borrower, and shall specify limits on the durations of such loans.</u>	
Article 5:	Procedures of loans 1. Crediting Before the Company proceeds with any loans to others, the creditor is required to provide all necessary data and financial information in order to apply for financing from the Company. After accepting the application, the Company's Treasury Department should <u>investigate and evaluate</u> the company's <u>core business</u>, financial status, <u>solvency, credit, profitability and usage for loans in order to file a report.</u> 2. Security When conducting any loans to others, the Company should request guaranteed checks equivalent to the loan amount and mortgage of chattel or real estate when necessary. The Board of Directors may take reference from the crediting report from Treasury Department if the debtor provides individual or corporation with qualified financial status as a guarantee. The Company should pay attention to whether there is any	Procedures of loans 1. Crediting Before the Company proceeds with any loans to others, the creditor is required to provide all necessary data and financial information in order to apply for financing from the Company. After accepting the application, <u>the Company's Treasury Department shall evaluate the reason, use of proceeds, purpose, amount, effect on such capital lending, the value of the collateral and the credit and operational conditions of the applicant (borrower), and further evaluate the impact on the Company's operation risk, financial conditions and the shareholders equity caused by such capital lending. Results of the evaluations shall be submitted to the board of directors for discussion and approval.</u> 2. Security <u>Except the borrower is a subsidiary,</u>when conducting any loans to others, the Company should request guaranteed checks equivalent to	Regarding the required documents related to supplementary loans and operating procedures, part of Article 10 of the original Regulations has been moved to Article 5 of the Regulations.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	clause related to guarantee in the Articles of Incorporation of those corporation. 3. Delegation Scope Before approving any loan to others, the Company's Treasury Department should submit the application to President and Board of Directors for approval based on the evaluation result of Paragraph 1, Article 5. Any loan between the Company and any subsidiary, or between different subsidiaries, should be submitted to the Board of Directors for deliberation and approval based on the evaluation result of Paragraph 1, Article 5. The Chairman is authorized to approve the same debtor within the delegated credit line decided by the Board of Directors for any loan (installment or revolving) under 1-year tenure. Except for stipulated in Paragraph 2, Article 2, the delegated credit line for any single enterprise shall not exceed 10% net worth of the Company or the subsidiary based on the most recent financial statement. <u>Where the Company has established the position of Independent Directors</u>, when it submits the	the loan amount and mortgage of chattel or real estate when necessary. The Board of Directors may take reference from the crediting report from Finance department if the debtor provides individual or corporation with qualified financial status as a guarantee. The Company should pay attention to whether there is any clause related to guarantee in the Articles of Incorporation of those corporation. 3. Delegation Scope Before approving any loan to others, the Company's Finance department should submit the application to President and Board of Directors for approval based on the evaluation result of Paragraph 1,Article 5. Any loan between the Company and any subsidiary, or between different subsidiaries, should be submitted to the Board of Directors for deliberation and approval based on the evaluation result of Paragraph 1, Article 5. The Chairman is authorized to approve the same debtor within the delegated credit line decided by the Board of Directors for any loan (installment or revolving) under 1-year tenure. Except for stipulated in Paragraph 2, Article 2, the delegated credit line for any single enterprise shall not exceed 10% net	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	matters related to loaning funds to other parties for discussion by the Board of Directors, the Company should consider each independent director's comments for any loan to others. If an independent director has objections or reservations, it should be stated in the meeting minutes of the board of directors.	worth of the Company or the subsidiary based on the most recent financial statement. When it submits the matters related to loaning funds to other parties for discussion by the Board of Directors, the Company should consider each independent director's comments for any loan to others. If an independent director has objections or reservations, it should be stated in the meeting minutes of the board of directors. 4. <u>The Company shall prepare a memorandum book for its fund-loaning activities and truthfully record the following information: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be evaluated .</u>	
Article 7:	Post-debt management and procedures of overdue loan After loan drawdown, the Company should monitor the financial and business status, as well as related credit updates of the debtor and guarantor. For those providing collaterals, the Company should keep track of any changes to the value of them. In case of any major variation, the Chairman should be notified immediately and observe his/her instructions. Upon maturity date of the loan or complete pay-off prior to maturity date, the Company should calculate	Post-debt management and procedures of overdue loan <u>1.</u> After loan drawdown, the Company should monitor the financial and business status, as well as related credit updates of the debtor and guarantor. For those providing collaterals, the Company should keep track of any changes to the value of them. In case of any major variation, the Chairman should be notified immediately and observe his/her instructions. <u>2.</u> Upon maturity date of the loan or complete pay-	Adjusted Post-debt management and procedures of overdue loan

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	the interest payable. Before canceling the loans by commercial papers or canceling mortgages, the Company shall confirm that debtor settle all the principal and interest. Upon maturity date, the debtor should repay all debt, including interests. In the case the debtor needs to apply for extension of payment, the debtor shall apply in advance, which should be reviewed and approved by the Board of Directors. Each extension is limited to 3 months and each debtor may only apply once and should comply with tenure limitation in Paragraph 1 Article 6. Otherwise the Company is entitled to impose punishment or compensation from the collaterals or guarantor(s) of the debtor.	off prior to maturity date, the Company should calculate the interest payable. Before canceling the loans by commercial papers or canceling mortgages, the Company shall confirm that debtor settle all the principal and interest. 3. Upon maturity date, the debtor should repay all debt, including interests. In the case the debtor needs to apply for extension of payment, the debtor shall apply in advance, which should be reviewed and approved by the Board of Directors. Each extension is limited to 3 months and each debtor may only apply once and should comply with tenure limitation in Paragraph 1 Article 6. Otherwise the Company is entitled to impose punishment or compensation from the collaterals or guarantor(s) of the debtor.	
Article 8:	Management procedures for loans of funds to others from subsidiaries 1. When any subsidiary of the Company intends to loan to others, such subsidiary should set procedures referring to “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” and comply with such procedures. 2. When any subsidiary of the Company intends to	Management procedures for loans of funds to others from subsidiaries 1. When any subsidiary of the Company intends to loan to others, such subsidiary should set procedures referring to “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” <u>promulgated by the FSC, consulting with the Company’s opinions</u>, and comply with such	Modified words

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	loan to others, such subsidiary should provide related data to the <u>parent</u> company and proceed after consulting with related personnel in the <u>parent</u> company. 3. After drawdown, the subsidiary should continue to update the <u>parent</u> company on a regular basis for the follow-up status of the loaned credit line.	procedures. 2. When any subsidiary of the Company intends to loan to others, such subsidiary should provide related data to <u>the Company</u> and proceed after consulting with related personnel in <u>the Company</u>. 3. After drawdown, the subsidiary should continue to update <u>the Company</u> on a regular basis for the follow-up status of the loaned credit line.	
Article 9:	<u>Procedures of announcement and declaration</u> 1. The Company should announce and declare the endorsement/guarantee balance as of the last month end for the Company and subsidiaries prior to the 10th of each month. 2. When the Company's loan balance meets any of the following standards, the Company is required to make promulgation within 2 days after the occurrence date: (1) The loan balance of the Company and subsidiaries to others achieve more than 20% of the Company's net worth according to the most recent financial statements.	<u>Information Disclosure</u> 1. The Company should announce and declare the endorsement/guarantee balance as of the last month end for the Company and subsidiaries prior to the 10th of each month. 2. When the Company's loan balance meets any of the following standards, the Company is required to make promulgation within 2 days after the occurrence date: (1) The loan balance of the Company and subsidiaries to others achieve more than 20% of the Company's net worth according to the most recent financial statements.	Modified words

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	(2) The loan balance of the Company and subsidiaries to a single enterprise achieve more than 10% of the Company's net worth according to the most recent financial statements. (3) The new loans of fund of the Company or subsidiaries is more than NT\$10 millions and above 2% of the Company's net worth according to the most recent financial statements. If any subsidiary of the Company is not a listed company and the subsidiary meets any of the requirements as above-stated <u>in section 3</u> in the preceding paragraph, the Company should make declaration on behalf of the subsidiary. "The occurrence date" in <u>paragraph 2</u> means the contract signing date, the payment date, the Board of Directors resolution date, or other dates that can confirm the counterparties of loan and monetary amounts, whichever date is earlier. 3. The Company should evaluate or recognize the contingent loss of the loans and disclose related	(2) The loan balance of the Company and subsidiaries to a single enterprise achieve more than 10% of the Company's net worth according to the most recent financial statements. (3) The new loans of fund of the Company or subsidiaries is more than NT\$10 millions and above 2% of the Company's net worth according to the most recent financial statements. "The occurrence date" in <u>this</u> paragraph means the contract signing date, the payment date, the Board of Directors resolution date, or other dates that can confirm the counterparties of loan and monetary amounts, whichever date is earlier. 3. If any subsidiary of the Company is not a listed company and the subsidiary meets any of the requirements as above-stated <u>under each subparagraph</u> in the preceding paragraph, the Company should make declaration on behalf of the subsidiary.<u>When determining whether the outstanding amount reaches the net worth threshold prescribed in Paragraph (2) above, the</u>	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	information in financial reports, offering related data to CPAs for necessary audit procedures	<u>test shall be whether the outstanding amount of the subsidiary's capital lending reaches the prescribed percentage of the Company's net worth.</u> "The occurrence date" in paragraph 2 means the contract signing date, the payment date, the Board of Directors resolution date, or other dates that can confirm the counterparties of loan and monetary amounts, whichever date is earlier. <u>4.</u> The Company should evaluate or recognize the contingent loss of the loans and disclose related information in financial reports, offering related data to CPAs for necessary audit procedures	
Article 10:	<u>Filing and retention of documents</u> <u>For any loans of fund to others, the Company should record the target(s), credit line/ facility, the approval date of the Board of Directors, approval date of the loan and evaluation items on a record book for future reference.</u> <u>The responsible person of each loan case should reserve the evidence of loan rights, such as contracts or commercial papers, and the certificates of</u>	Audit The internal auditors should write a written report to include the procedures of endorsement/ guarantee and implementation updates at least on a quarterly basis. If any major violation against rules is discovered, the auditors should notify <u>the Audit Committee</u> in a written notice.	The provisions of Article 10 of the original Regulations are moved to Article 5 of the new Regulations; the provisions of Article 12 of the original

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>collaterals, insurance policies, and documents for correspondence in order in a retention bag. The responsible person should also submit to his or her supervisor for double-check after marking down the content of the documents and the name of the client before sealing the bag. On the seal, the chops of the responsible person and his/her supervisors are required before filing the client's data (and after registering on the registration book).</u>		Regulations are moved to Article 10 of the new Regulations.
Article 11:	Penalty In the case of violation of the Company's manager(s) or responsible person(s) against "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" stipulated by <u>competent authorities</u> and the Procedures, the auditors or their supervisors should report such case to the President or Board of Directors immediately. And the President or Board of Directors should impose proper disciplinary action based on the seriousness of such case on related personnel.	Penalty In the case of violation of the Company's manager(s) or responsible person(s) against "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" stipulated by <u>Financial Supervisory Commission</u> and the Procedures, the auditors or their supervisors should report such case to the President or Board of Directors immediately. And the President or Board of Directors should impose proper disciplinary action based on the seriousness of such case on related personnel.	
Article 12:	Audit The internal auditors should write a written report to include the procedures of endorsement/ guarantee and implementation updates at least on a quarterly basis. If any major violation against rules is discovered, the auditors should notify <u>each supervisor</u> in a written notice.	Others <u>1.</u> The "subsidiaries" and "parent company" referred to in the Procedures should be based on the rules in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. <u>2.</u> "Net worth" means the balance sheet equity	The provisions of Article 12 of the original Regulations have been moved to Article 10 of the new Regulations,

Article No.	Original Articles	Amended Articles	Reasons for Amendments
		attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers. <u>3. Matters not provided for in the Handling Procedures shall be governed by relevant laws, regulations, and the Company's other internal regulations.</u> <u>4.</u> The announcement and declaration of this Procedure means announce to the website appointed by the regulators. <u>5.</u> In case of any changes resulting in violation against the Procedures for the target of loans or exceeding the limit of balance, the Company should stipulate a plan for improvement and submit such plan to <u>the Audit Committee</u>. The Company should also commit to such improvement in compliant with the plan.	and part of Article 13 of the original Regulations has been moved to Article 12 of the new Regulations.
Article 13:	Others 1. The “subsidiaries” and “parent company” referred to in the Procedures should be based on the rules in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.	<u>Effectiveness and Amendment</u> 1. <u>Enactment of or amendment to the Handling Procedures shall be approved by majority members of the Audit Committee and submit to the board of directors for resolution. If the setting or amendments is not approved by one-half of all members of the Audit Committee, it</u>	Adjusted effectiveness and amendment of terms of reference.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	"Net worth" means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers. 2. The announcement and declaration of this Procedure means announce to the website appointed by the regulators. In case of any changes resulting in violation against the Procedures for the target of loans or exceeding the limit of balance, the Company should stipulate a plan for improvement and submit such plan to each supervisor. The Company should also commit to such improvement in compliant with the plan	<u>may be resolved by more than two-thirds of all directors, and the resolutions of the Audit Committee shall be stated in the meeting minutes of the Board of Directors. If for a legitimate reason it is impossible to hold a meeting of the Committee, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire board of directors.</u> 2. <u>The Handling Procedures shall be approved by the board of directors and further submitted to the shareholders meeting for approval and will become effective afterwards. The same shall apply to amendments to the Handling Procedures.</u>	
Article 14:	<u>This Procedure, after approved by Board of Directors, should be submitted to each supervisor and obtain the approval from shareholders in Shareholders' Meeting. If any director expresses objection on a record or a written statement, the Company should submit such objection to each supervisor and Shareholders' Meeting for discussion. Any related amendments should follow the same rules.</u> <u>Where the Company has established the position of Independent Directors, when it submits the operational procedures related to loaning funds to</u>	<u>The Handling Procedures were enacted at the promoters' meeting on August 7, 2020; first amendment was made on May 24, 2024.</u>	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>other parties for discussion by the Board of Directors, the Company should consider each independent director's comment on the procedures. If an independent director has objections or reservations, it should be stated in the meeting minutes of the board of directors.</u> <u>Where the Company has established an Audit Committee, the Audit Committee shall exercise its functional duties under Article 14-5 of the Securities and Exchange Act. The provisions regarding supervisors in this procedure shall apply mutatis mutandis to the Audit Committee.</u> <u>If the Company establish an audit committee, the setting or amendments of this procedures shall be approved by majority members of the audit committee and submit to the board of directors for resolution. The second paragraph shall not apply.</u> <u>If the setting or amendments is not approved by one-half of all members of the Audit Committee, it may be resolved by more than two-thirds of all directors, and the resolutions of the Audit Committee shall be stated in the meeting minutes of the Board of Directors.</u> <u>All members of the Audit Committee referred to in</u>		

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>paragraph 5 and all directors referred to in the preceding paragraph shall be counted as actual incumbents.</u>		

Attachment 13

ENNOSTAR Inc. Procedures for Endorsements and Guarantees

Comparison Table for Amendments

Article No.	Original Articles	Amended Articles	Reasons for Amendments
Article 1:	<u>Legal reference: Subject to amendments to related regulations of regulators and Securities and Exchange Act.</u>	<u>Purpose</u> <u>In order to provide specific operating rules in respect of the endorsements and guarantees to be provided by the Company, the Handling Procedures are enacted in accordance with the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” (the “Regulations”) promulgated by the Financial Supervisory Commission the Executive Yuan of the Republic of China(“FSC”)</u>	Stipulated the purpose and basis
Article 2:	Endorsement / Guarantee items The endorsement / guarantee items of ENNOSTAR Inc. (hereinafter the “Company”) include the following: 1. Financing endorsements / guarantees, including: (1) Bill discounts financing. (2) Endorsement / guarantee made to meet the financing needs of another company. (3) Issuance of a separate negotiable instrument to a non-financial enterprise as security to	Endorsement / Guarantee items The endorsement / guarantee items of ENNOSTAR Inc. (hereinafter the “Company”) include the following: 1. Financing endorsements / guarantees, including: (1) Bill discounts financing. (2) Endorsement / guarantee made to meet the financing needs of another company. (3) Issuance of a separate negotiable instrument to a non-financial enterprise as security to	Modified words

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	meet the financing needs of the Company. 2. Customs duty endorsement / guarantee: Meaning the endorsement / guarantee for the Company or another company with respect to customs duty matters. 3. Others endorsements / guarantees: Meaning the endorsements/guarantees beyond the scope of the above two paragraphs. Any creation by the Company of a pledge or mortgage on its chattel or real property as security for the loans of another company shall <u>also comply with this SOP</u>.	meet the financing needs of the Company. 2. Customs duty endorsement / guarantee: Meaning the endorsement / guarantee for the Company or another company with respect to customs duty matters. 3. Others endorsements / guarantees: Meaning the endorsements/guarantees beyond the scope of the above two paragraphs. 4. Any creation by the Company of a pledge or mortgage on its chattel or real property as security for the loans of another company .	
Article 3:	Targets The Company may make endorsements / guarantees for the following companies: 1. Any company with which it does business. 2. Any company in which the Company directly and indirectly holds 50% or more of the voting shares. 3. Any company that directly and indirectly holds more than 50% of the voting shares in the Company. <u>All companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other, and the amount of endorsements / guarantees may not</u>	Targets The Company may make endorsements / guarantees for the following companies: 1. Any company with which it does business. 2. Any company in which the Company directly and indirectly holds 50% or more of the voting shares. 3. Any company that directly and indirectly holds more than 50% of the voting shares in the Company.	Adjusted items and modified words

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>exceed 10% of the net worth of the Company, provided that this restriction shall not apply to endorsements / guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.</u>		
Article 4:	Endorsement/guarantee <u>liabilities</u> 1. <u>The Company's total endorsement / guarantee liability is categorized as the following:</u> (1) The total of endorsement / guarantee shall not exceed 20% of the Company's net worth. (2) The endorsement/guarantee total to a single enterprise shall not exceed 10% of the Company's net worth. 2. The total endorsement / guarantee of the Company and its subsidiaries is <u>categorized as the following</u> (1) The total endorsement / guarantee amount shall not exceed 30% of the Company's net worth. (2) The endorsement / guarantee to a single enterprise shall not exceed 10% of the Company's net worth. 3. The endorsement / guarantee as a result of business relationship, other than the above-	The amount of an Endorsement/Guarantee <u>The limit on the aggregate amount of</u> endorsements and/or guarantees (" aggregate limit") and the limit on the amount of endorsements and/or guarantees provided for any individual ("individual limit") are as follows: 1. The aggregate limit of endorsement / guarantee of the Company shall not exceed 20% of the Company's net worth, the individual limit of endorsement / guarantee of the Company to a single enterprise shall not exceed 10% of the Company's net worth. 2. The aggregate limit of endorsement / guarantee of the Company and its subsidiaries as a whole shall not exceed 30% of the Company's net worth, the individual limit of endorsement / guarantee of the Company and its subsidiaries as a whole to a single enterprise shall not exceed 10% of the Company's net worth. 3. The endorsement / guarantee as a result of business relationship, other than the above two <u>subparagraphs</u> stated limitation, shall not exceed the total transaction amount between the two	Adjusted items and modified words

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	stated limitation, shall not exceed the total transaction amount between the two parties. The “transaction amount” refers to whichever is higher between the purchase and sales amount	parties. The “transaction amount” refers to whichever is higher between the purchase and sales amount. 4. <u>Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/ guarantees for each other, and the amount of endorsements/guarantees may not exceed 10% of the Company’s net worth, provided that this restriction shall not apply to endorsements/ guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.</u>	
Article 5:	<u>Announcement requirements</u> 1. The Company shall announce and report the previous month's balance of endorsements/guarantees balance as of itself and its subsidiaries by the 10th day of each month. 2. When the Company’s endorsement/ guarantee balance reaches one of the following standards levels, the Company shall announce and report such event within 2 days commencing immediately from the occurrence date: (1) The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50% or more of the	<u>Information Disclosure</u> 1. The Company shall announce and report the previous month's balance of endorsements/guarantees balance as of itself and its subsidiaries by the 10th day of each month. 2. When the Company’s endorsement/ guarantee balance reaches one of the following standards levels, the Company shall announce and report such event within 2 days commencing immediately from the occurrence date: (1) The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50% or more of the Company’s net worth as stated in its latest financial statements. (2) The balance of endorsements/guarantees	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	Company's net worth as stated in its latest financial statements. (2) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20% or more of the Company's net worth as stated in its latest financial statements. (3) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT\$10 million or more and the aggregate amount of all endorsements/guarantees for, carrying value of equity method investment in, and balance of loan to, such enterprise reaches 30% or more of the Company's net worth as stated in its latest financial statements. (4) The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and reaches 5% or more of the Company's net worth as stated in its latest financial statements. 3. <u>The Company shall evaluate or record the</u>	by the Company and its subsidiaries for a single enterprise reaches 20% or more of the Company's net worth as stated in its latest financial statements. (3) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT\$10 million or more and the aggregate amount of all endorsements/guarantees for, carrying value of equity method investment in, and balance of loan to, such enterprise reaches 30% or more of the Company's net worth as stated in its latest financial statements. (4) The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and reaches 5% or more of the Company's net worth as stated in its latest financial statements. "The occurrence date" in <u>this</u> Section means the contract signing date, the payment date, the Board of Directors (hereinafter the "BOD") resolution date, or other dates that the endorsement/guarantee parties and monetary amounts could be confirmed, whichever date is earlier.	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>contingent loss for the endorsements/guarantees, and shall adequately disclose information on endorsements/guarantees in its and provide CPAs with relevant information for implementation of necessary audit procedures.</u> “The occurrence date” in <u>Section 2</u> means the contract signing date, the payment date, the Board of Directors (hereinafter the “BOD”) resolution date, or other dates that the endorsement/guarantee parties and monetary amounts could be confirmed, whichever date is earlier. If any subsidiary of the Company is not a public company and the subsidiary meets any of the requirements provided by <u>subparagraph 4 in Section 2</u>, the Company should make declaration on behalf of the subsidiary. <u>The so-called “most recent financial statements” refer to the financial statements audited or reviewed by CPAs.</u>	3. If any subsidiary of the Company is not a public company and the subsidiary meets any of the requirements in accordance with <u>any</u> subparagraph of <u>preceding</u> paragraph, the Company should make declaration on behalf of the subsidiary. 4. <u>The Company shall evaluate or record the contingent loss for the endorsements/guarantees, and shall adequately disclose information on endorsements/guarantees in its and provide CPAs with relevant information for implementation of necessary audit procedures.</u>	
Article 6:	Procedures of endorsement / guarantee The <u>responsible</u> department should submit a petition in regards with any endorsement/ guarantee, stating the targets, rationales and amount. After approved by the Finance Department, President and Chairman,	Procedures of endorsement / guarantee 1. The <u>Finance</u> department should submit a petition in regards with any endorsement/ guarantee, stating the targets, <u>types</u>, rationales and amount. After approved by the Finance Department, President and Chairman, the petition must be	Adjusted items and modified words

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	the petition must be submitted to the BOD for deliberation and approval. However, the BOD may delegate Chairman to approve applications under a certain facility and report to the BOD for recognition afterwards. <u>Before making endorsements/ guarantees for any subsidiary which the Company directly and indirectly holds 90% or more of the voting shares subject to Section 2 in Article 3, the application of such endorsements/ guarantees should be submitted to the BOD for deliberation and approval. However, this restriction set forth in preceding paragraph does not apply to any company by which the Company directly and indirectly holds 100% of the voting shares.</u>	submitted to the BOD for deliberation and approval. However, the BOD may delegate Chairman to approve applications under a certain facility and report to the BOD for recognition afterwards. 2. <u>The Finance department shall prepare and keep a book with respect to the endorsements and/or guarantees provided by the Company to record the subject of the endorsement or guarantee, name of the subsidiary for which the Company will provide endorsement/guarantee, amount of the endorsement/ guarantee, result of the risk evaluation, content of the collateral, approval date of the Board of Directors or the Chairman, date of endorsement or guarantee and date and condition for the Company to discharge its obligation from the relevant endorsement or guarantee.</u> 3. <u>The Finance department shall prepare and submit the relevant reports regarding endorsement/guarantee to the Board of Directors for recordation.</u>	
Article 7:	Review procedures 1. Before making any endorsement/ guarantee, the Company shall evaluate with discretion whether such endorsement/ guarantee complies with “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public	Review procedures 1. Before making any endorsement/ guarantee, the Company shall evaluate with discretion whether such endorsement/ guarantee complies with “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” promulgated by the <u>FSC</u> and this SOP.	There was slightly adjusted the review documents ; an Audit Committee has been set up to

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	Companies” and this SOP. The Company is also required to request the endorsed/guaranteed company provide the approval from <u>Ministry of Economic Affairs for registration change, business registration certificates</u>, a copy of the responsible person’s ID and all necessary financial statements. The Company should evaluate the company based on the following criteria: (1) Evaluate the necessity and reasonableness of endorsement/ guarantee based on the financial status of the company. (2) Conduct credit status investigation on the company to evaluate the risks of such endorsement/ guarantee. (3) Evaluate whether the endorsement/ guarantee amount still falls within the cap and the impacts of such endorsement/ guarantee on the Company’s business operations, financial condition and shareholders’ equities. (4) Assess the risk level of such endorsement/ guarantee and evaluate whether collateral must be obtained. 2. The <u>responsible</u> department shall track regularly	The Company is also required to request the endorsed/guaranteed company provide the Company with the <u>certificate</u> of company registrations, a copy of the responsible person’s ID and all necessary financial statements. The Company should evaluate the company based on the following criteria: (1) Evaluate the necessity and reasonableness of endorsement/ guarantee based on the financial status of the company. (2) Conduct credit status investigation on the company to evaluate the risks of such endorsement/ guarantee. (3) Evaluate whether the endorsement/ guarantee amount still falls within the cap and the impacts of such endorsement/ guarantee on the Company’s business operations, financial condition and shareholders’ equities. (4) Assess the risk level of such endorsement/ guarantee and evaluate whether collateral must be obtained. 2. The <u>Finance</u> department shall track regularly to the endorsement/ guarantee status and risk assessment subject to related items. 3. When the Company or any its subsidiary makes endorsement/ guarantee for subsidiaries whose net worth is lower than half of its paid-in capital, other than fulfilling the above-stated rules, the auditors should audit the procedures of such	replace the supervisor.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	to the endorsement/ guarantee status and risk assessment subject to related items. 3. When the Company or any its subsidiary makes endorsement/ guarantee for subsidiaries whose net worth is lower than half of its paid-in capital, other than fulfilling the above-stated rules, the auditors should audit the procedures of such endorsement/ guarantee and the execution status at least once every quarter in a written form. Any discovery of major violation against rules should be notified to <u>each supervisor</u> in a written notice. In the case of a subsidiary with shares having no par value or a par value other than NT\$10, for the paid-in capital the calculation under Section 3 of Article 7, the sum of the share capital plus paid-in capital in excess of par shall be substituted.	endorsement/ guarantee and the execution status at least once every quarter in a written form. Any discovery of major violation against rules should be notified to <u>the Audit Committee</u> in a written notice.	
Article 8:	Decision making and authorization level 1. Any endorsement/guarantee shall be approved by the BOD and processed in accordance with normal procedures. However, in line with business demands, the BOD may delegate the Chairman for approval the endorsement/guarantee to process <u>based on special procedures within 50% limit and</u>	Decision making and authorization level 1. Any endorsement/guarantee shall be approved by the BOD and processed in accordance with normal procedures. However, in line with business demands, the BOD may delegate the Chairman for approval the endorsement/guarantee to process based on special procedures less than <u>NT\$100,000,000 or customs duty endorsement/guarantee with no limit on the</u>	Adjusted the amount of advance approval by the chairman of the board and merge it into Paragraph 2 of Article 6 of the original

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>compliant with Article 4.</u> And such cases must be submitted to the BOD for recognition <u>afterwards</u>. 2. Where a the Company needs to exceed the limits set out in Article 4 to satisfy its business requirements, the Company shall follow normal procedure and obtain approval from the BOD and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend the procedures accordingly and submit to Shareholders' Meeting for ratification after the fact. If Shareholders' Meeting does not give consent, the Company should adopt a plan to discharge the amount in excess within a given time limit. 3. <u>Where the Company has appointed Independent Directors</u>, when the Company submits the matters of endorsements / guarantees for others for discussion by the BOD, the BOD shall take into full consideration each Independent Director's opinions ; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the	<u>amount in accordance with this Operational procedures paragraph 2 of Article 2,</u> for subsequent submission to and ratification <u>by the next</u> board of directors' meeting. 2. Where a the Company needs to exceed the limits set out in Article 4 to satisfy its business <u>requirements</u>, and where the conditions set out in the Operational Procedures for Endorsements/Guarantees are complied with, it <u>shall</u> obtain approval from the BOD and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend the procedures accordingly and submit to Shareholders' Meeting for ratification after the fact. If Shareholders' Meeting does not give consent, the Company should adopt a plan to discharge the amount in excess within a given time limit. 3. <u>Before the subsidiaries in which more than 90% outstanding voting shares are directly or indirectly held by the Company provide endorsement or guarantee among others in accordance with Article 3, it shall be reported and approved by the Board of Directors of the Company ("Requirement"). The endorsements/guarantees provided by and among subsidiaries, 100% outstanding voting shares directly or indirectly held by the Company, is free of the preceding</u>	Regulations

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	meeting minutes of the BOD.	<u>restriction of the Requirement.</u> 4. Where the Company has appointed Independent Directors, when the Company submits the matters of endorsements / guarantees for others for discussion by the BOD, the BOD shall take into full consideration each Independent Director's opinions ; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the meeting minutes of the BOD.	
Article 9:	Procedures and retention of chops 1. The dedicated <u>chops</u> for endorsements / guarantees of the Company are the company chop, <u>the signature chop of the responsible person</u> , and specialized chop registered with the Ministry of Economic Affairs, the . Each chop shall be kept in the custody of a designated person approved by the Board of Directors and controls the usage of such chops. The BOD should approve the change of the delegate as well. The chops or seals may be used to seal or issue negotiable instruments only in prescribed procedures. 2. When making a guarantee for an overseas company, the Company shall have the guarantee letter signed by a person authorized by the BOD.	Procedures and retention of chops 1. <u>The Company shall</u> use the corporate chop (the "Chop") registered with the Ministry of Economic Affairs ("MOEA") <u>as the chop to be used for providing endorsement and/or guarantee.</u> Each chop shall be kept in the custody of a designated person approved by the Board of Directors and controls the usage of such chops. The BOD should approve the change of the delegate as well. The chops or seals may be used to seal or issue negotiable instruments only in prescribed procedures. 2. When making a guarantee for an overseas company, the Company shall have the guarantee letter signed by a person authorized by the BOD.	Modified words

Article No.	Original Articles	Amended Articles	Reasons for Amendments
Article 10:	Procedures of controlling endorsement / guarantee of subsidiaries 1. Where a subsidiary of the Company intends to make endorsements/guarantees for others, the Company shall instruct subsidiary to formulate its own operational procedures for endorsements / guarantees in compliance with “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” stipulated by <u>regulators</u>, and it shall comply with the procedures when making endorsements / guarantees. 2. When any subsidiary of the Company intends to make endorsements/guarantees for others, the subsidiary should provide related information to the <u>parent</u> company and take reference the opinions from the related personnel in the <u>parent</u> company before processing. However, if the subsidiary is located offshore, no endorsement/guarantee shall be proceeded. 3. The subsidiary should report to the <u>parent</u> company the updates of follow-up status for the	Procedures of controlling endorsement / guarantee of subsidiaries 1. Where a subsidiary of the Company intends to make endorsements/guarantees for others, the Company shall instruct subsidiary to formulate its own operational procedures for endorsements / guarantees in compliance with “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” stipulated by the <u>FSC</u>, and adopt and comply with the procedures when making endorsements / guarantees <u>after consulting with the Company’s opinions</u>. 2. When any subsidiary of the Company intends to make endorsements/guarantees for others, the subsidiary should provide related information to <u>the</u> Company and take reference the opinions from the related personnel <u>in</u> the Company before processing. However, if the subsidiary is located offshore, no endorsement/guarantee shall be proceeded. 3. The subsidiary should report to <u>the</u> Company the updates of follow-up status for the endorsement/guarantee on a regular basis.	Modified words

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	endorsement/guarantee on a regular basis.		
Article 11:	<u>Transitional provisions</u> After this SOP takes effect, when the original targets or amount of endorsement/guarantee exceeds limit as a result of changed calculation basis, the Company should report to the BOD for the endorsement/guarantee amount or exceeding part upon maturity date of the contract or within a certain period.	(delete) <u>Audit</u> The Company's internal auditors shall audit this SOP and the implementation thereof no less frequently than quarterly and prepare written records accordingly. The auditors shall promptly notify the Audit Committee in writing of any material violation found.	Adjusted items and modified words.
Article 12:	Penalty Any manager or responsible person of the Company violates "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies" stipulated by <u>regulators</u> and / or this SOP, the auditors or the managers of responsible person should report the violation to the President or the BOD immediately. The President and the BOD should decide if the related personnel should receive any penalty depend on the content of violation.	Penalty Any manager or responsible person of the Company violates "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies" stipulated by <u>Financial Supervisory Commission</u> and / or this SOP, the auditors or the managers of responsible person should report the violation to the President or the BOD immediately. The President and the BOD should decide if the related personnel should receive any penalty depend on the content of violation.	
Article 13:	Audit The Company's internal auditors shall audit this SOP and the implementation thereof no less frequently than quarterly and prepare written records accordingly. The auditors shall promptly notify all the <u>supervisors</u> in writing of any material violation found.	<u>Other</u> 1. <u>The "subsidiaries" and "parent company" as referred to in this SOP shall be as determined under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</u> 2. <u>"Net worth" means the balance sheet equity attributable to the owners of the parent company</u>	Article 13 of the original Regulations has been adjusted to Article 11 of the new Regulations, an Audit

Article No.	Original Articles	Amended Articles	Reasons for Amendments
		<u>under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</u> 3. <u>Matters not provided for in this Handling Procedures shall be governed by relevant laws, regulations, and the Company's other internal regulations.</u> 4. <u>The term "announcement and declaration" of this SOP means the process of entering data to the information reporting website designated appointed by the regulators.</u> 5. <u>Where as a result of changes of condition the entity for which an endorsement/guarantee is made no longer meets the requirements of this SOP, or the amount of endorsement/guarantee or exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to the Audit Committee, and shall complete the rectification according to the timeframe set out in the plan.</u>	Committee has been set up to instead of the supervisor, and Article 15 of the original Regulations has been moved to Article 13 of the new Regulations . As to Article 13 of the new Regulations.
Article 14:	<u>The Company shall, after this SOP approved by the BOD, submit it to each supervisor and approved by shareholders in Shareholders' Meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the Company shall submit such dissenting opinion to each supervisor and for discussion by Shareholders' Meeting. Any related amendments should follow the same</u>	Effectiveness and Amendment 1. Enactment of or amendment to the Handling Procedures shall be <u>approved</u> by a majority of all members of the Audit Committee and further submitted to the board of directors for resolution. If enactment of or amendment to the Handling Procedures is not approved by a majority of all members of the Audit Committee, alternatively, such may be approved by two-thirds of all	The Company had set up an Audit Committee instead of the supervisor, therefore modifying words and rearrange the combination.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>procedures set forth above.</u> <u>Where the Company has appointed Independent Directors, when the Company submits the operational procedures of endorsements / guarantees for discussion by the BOD, the BOD shall take into full consideration each Independent Director's opinions. If an Independent Director expresses any dissent or reservations, it shall be specifically recorded in the meeting minutes of the BOD.</u> <u>Where the Company has established an Audit Committee, when the Company adopts or amends this SOP, it shall require the approval of one-half or more of all Audit Committee members, and furthermore shall be submitted for a resolution by the BOD. The provisions of Section 2 of this Article shall not apply.</u> If the approval of one-half or more of all Audit Committee members as required in the <u>preceding</u> paragraph is not obtained, it may be implemented if approved by two-thirds or more of all Directors, and the resolutions of the Audit Committee shall be recorded in the minutes of the BOD meeting.	directors, provided that in such case, the resolutions adopted by the Audit Committee shall be recorded in the minutes of the meeting of the board of directors. <u>If for a legitimate reason it is impossible to hold a meeting of the Committee, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire board of directors.</u> 2. <u>The Handling Procedures shall be approved by the board of directors and further submitted to the shareholders meeting for approval and will become effective afterwards. The same shall apply to amendments to the Handling Procedures</u>	

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	<u>The terms “all members of the Audit Committee” and “all Directors” in this Article shall be counted as the actual number of persons currently holding those positions.</u>		
Article 15:	Others 1. The “subsidiaries” and “parent company” as referred to in this SOP shall be as determined under the Regulations Governing the Preparation of Financial Reports by Securities Issuers. "Net worth" means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers. 2. The term "announcement and declaration" of this SOP means the process of entering data to the information reporting website designated appointed by the regulators. 3. Where as a result of changes of condition the entity for which an endorsement/guarantee is made no longer meets the requirements of this SOP, or the amount of endorsement/guarantee or exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to all the supervisors, and shall complete the	<u>The Handling Procedures were enacted at the promoters' meeting on August 7, 2020.</u> <u>The 1st amendment was made on May 31, 2023.</u> <u>The 2nd amendment was made on May 24, 2024.</u>	Added the latest amendment date.

Article No.	Original Articles	Amended Articles	Reasons for Amendments
	rectification according to the timeframe set out in the plan. 4. <u>Where the Company has established an Audit Committee, the Audit Committee shall exercise its functional duties under the Article 14-5 of the Securities and Exchange Act. The provisions regarding supervisors in this SOP shall apply mutatis mutandis to the Audit Committee.</u>		

Attachment 14

ENNOSTAR Inc. Handling Procedures for Conducting Derivative Transactions (the “Handling Procedures”)

Article 1 : References

In order to establish the Company’s risk management system of conducting derivative transactions, conducting such transactions shall be in accordance with the Handling Procedures.

Article 2 : Scope of Application(Transaction types)

1. The derivatives transactions of the Company refer to the contracts of which the value derives from specific interest rates, price of financial tools, merchandise prices, exchange rates, indices, price or rate index, credit rating, or credit index or another variable; (excluding insurance contracts, guaranty of contract, after-sale service guarantee, long-term lease contracts and long-term purchasing/sales contracts), options contracts, futures contracts, Leverage margin contract, swap contracts, hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.
2. A transaction that is for the purpose of hedging the business operating risk is a hedge transaction; a transaction creating additional risk from arbitraging is a speculation transaction.

Article 3 : Operational or Hedge Strategies

The derivative transactions should mainly be conducted for the purpose of ensuring profits of the Company’s business and avoid risks associated with fluctuation in the exchange rate, interest rate, and/or value of assets.

Article 4 : Authorized Department for Trading

The Finance department of the Company shall:

1. Collect market information; estimate the trend and risks; get familiar with financial products, relevant laws and regulations and the operational skills to conduct the derivative transaction; and conduct the derivative transaction in accordance with the instruction of the authorized officer, and within the authorized amount limit to avoid the risks associated with

fluctuation of market price;

2. Establish the position of the confirmation and settlement personnel; confirmation personnel is in charge of confirmation with the transaction counterparty and settlement personnel is in charge of settlement of the transaction at the maturity;
3. Make the periodic performance evaluation;
4. Provide information regarding positions of risk exposure; and
5. Make a public announcement and file the required report(s) periodically.

Article 5 : Evaluation of performance

For any transaction on derivatives, the trader(s) should mark down the details (such as amount, exchange rate, banks, maturity date etc) on the summary of unwinding position in order to control P/L. In addition, the FX exchange P/L should be settled on a monthly, quarterly and annually basis.

Article 6 : Trading Limit and Authorization

1. Aggregate amount of all contracts

(1) Hedge transactions required for daily business

(i) Exchange rate transactions: The amount for hedge transactions shall be based on the position arising from the Company's business. Except for the cross-currency swap transactions for funding purposes, the aggregate amount of all contracts shall be limited to the Company's revenue of the prior three months.

(ii) Interest rate transactions: With respect to the expenditure for the specified purposes, including, without limitation the long term interest rate position arising from the syndication facilities and etc. For the hedging purpose, the aggregate amount of all contracts shall be limited to the Company's long term borrowings with floating interest.

(iii) Other hedge transactions: In order to hedge the risk of exchange rate or interest and etc. arising from issuance of overseas equity (such as ADR and etc.) or bonds (such as ECB, CB and etc.) or other financial products, the aggregate amount of all contracts shall be limited to the total outstanding amount of such issued instruments (i.e. ADR, ECB, CB), provided that such transactions together with the evaluation report shall be submitted to the general manager for approval.

(iv) Authorization for exchange rate/interest rate transactions:

Authorization Level	Authorized Amount per transaction	Authorization Amount per day
General Manager	Equivalent to US\$ 5 million above	Equivalent to US\$ 10 million above
Center Head of Finance	Equivalent to US\$ 5 million	Equivalent to US\$ 10 million

(2) Transactions not for the above purposes (speculation transactions): The Company doesn't conducting speculation transactions

2. Maximum loss for all contracts and for individual contract:

Maximum loss	All contracts	Individual contract
Hedge transactions	15%	20%

3. If the maximum loss for all contracts or individual contract is reached, the trading personnel should inform the most senior decision-making officer of Finance department and Chairman. If necessary, the situation shall submit to the Board of Directors.

Article 7 : The Operational Procedures

1. Check the transaction position.
2. Analyze and judge the trend.
3. Decide methods to be used for hedge:
 - (1) the target of the derivative transaction;
 - (2) the position to be held in the derivative transaction;
 - (3) the proposed price and range; and
 - (4) the trading strategy and pattern of the derivative transaction.
 - (5) the reference price shall be based on the price provided by the trading platform of Reuters.
4. Obtain the approval for derivative transaction.
5. Execute the derivative transaction:
 - (1) Transaction counterparties: The first priority for choosing the transaction counterparty is to consider the credit risk of the counterparty. In order to avoid the legal risk, any documentation to be entered into with a financial institution, shall be reviewed by the Company's legal personnel or professional lawyer prior to execution.

- (2) Trading personnel: The personnel authorized and approved by the most senior decision-making officer of Finance department (“authorized personnel”) may conduct the derivative transactions for and on behalf of the Company and the Company shall inform the corresponding financial institutions of names of the authorized personnel. Persons other than authorized personnel are not permitted to conduct derivative transactions.

Article 8 : Information Disclosure

1. The Company shall make a public announcement and file the necessary report(s), for itself and its subsidiaries, of the derivative transactions conducted in the previous months of the year prior to the 10th day of each month.
2. In the event that the loss from derivative transactions reaches the maximum loss for all contracts or individual contract as provided in Article 6 hereof, the Company shall make a public announcement and file the necessary report(s) within two days commencing immediately from the date of occurrence.

Article 9 : Records of Derivative Transactions

1. The types and amounts of derivatives trading engaged in and board of directors approval dates shall be recorded in memorandum book and in accordance with the following revaluation items shall be recorded in detail in memorandum book.
 - (1) Periodically evaluate whether derivatives trading performance is consistent with established operational strategy.
 - (2) whether the risk undertaken is within the Company's permitted scope of tolerance.
 - (3) Evaluate the risk management measures monthly:
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.
2. The accounting unit shall handle the accounting matters with respect to the derivative transactions in accordance with the Business Accounting Law, the Statements of Financial Accounting Standards and the relevant letters and orders issued by the relevant competent authority, or if no relevant laws or

regulations can be applied, the accounting division shall record the details of the relevant transactions and record the realized and unrealized gains and/or losses calculated on a monthly basis in the income statement.

Article 10 : Internal Control System

1. The risk management measures include:
 - (1) Credit risk management: Unless approved by the most senior decision-making officer of the Finance department, the transaction counterparties shall be limited to the domestic or foreign financial institutions.
 - (2) Market risk management: The derivative transactions shall be conducted primarily for hedging purposes and the authorized personnel shall not create additional positions as possible as they can.
 - (3) Liquidity and cash flow risk management: To ensure liquidity, the authorized personnel shall check with the treasury personnel before conducting the derivative transaction to make sure that the proposed transaction amount will not cause a liquidity shortage.
 - (4) Operation risk management: To avoid operation risks, the authorized personnel shall comply with the authorized amount and the operation procedures.
 - (5) Legal risk management: To avoid legal risks, any agreements entered into between the Company and the relevant banks shall be reviewed by in-house counsel before execution.
2. Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.
3. Risk measurement, monitoring, and control personnel shall be assigned to a different department than the personnel in the preceding subparagraph and shall report to the board of directors or senior management personnel with no responsibility for trading or position decision-making.
4. Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to Senior Director of Finance department.
5. Internal Control
 - (1) Authorized trading personnel shall deliver the transaction document or contract to the recording personnel to record the transaction in the

book.

- (2) The recording personnel shall check with the counterparties or record derivative transactions in the book periodically.

Article 11 : Board of Directors

1. If the Company conducts derivative transactions, the board of directors shall faithfully supervise and manage such transactions in accordance with the following principles:
 - (1) Designate the most senior decision-making officer of Finance department to pay continuous attention to the monitoring and controlling of derivative transaction risk every now and then.
 - (2) Periodically evaluate whether derivative transactions performance is consistent with established operational strategy and whether the risk undertaken is within the Company's permitted scope of tolerance.
2. The most senior decision-making officer of the Finance department shall manage derivative transaction in accordance with the following principles:
 - (1) Periodically evaluate whether the current risk management measures are conducted appropriately and faithfully in accordance with the Handling Procedures.
 - (2) When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the board of directors and an independent director shall be present at the meeting and express an opinion.
3. The most senior decision-making officer of the Finance department handles derivative transactions in accordance with the Handling Procedures, such transactions shall be reported to the next board of directors afterward.
4. If the relevant derivative transaction is required to be submitted to the board of directors for discussion, such transaction shall be approved by a majority of all members of the Audit Committee and further submitted to the board of directors for resolution. If such transaction is not approved by a majority of all members of the Audit Committee, alternatively, such may be approved by two-thirds of all directors, provided that in such case, the resolutions adopted by the Audit Committee shall be recorded in the minutes of the meeting of the board of directors. If for a legitimate reason it is impossible to hold an audit committee meeting, matters on the meeting

agenda shall be adopted with the consent of two- thirds or more of the entire board of directors.

5. "All members of the Audit Committee" referred to in the Handling Procedures and "all directors" referred to in the preceding paragraph shall mean the actual number of the committee members/directors

Article 12 : Internal Auditing

1. Internal auditing personnel shall periodically review the appropriateness of internal controls for derivative transactions in accordance with the "Internal Control System" and make monthly checks of the trading department's compliance with the Handling Procedures and make the auditing report. If internal auditing personnel find any serious violation of the "Handling Procedures, they should inform the Audit Committee of such violation in writing.
2. The above-mentioned auditing report(s) and any rectification of an irregularity shall be filed with the Financial Supervisory Commission ("FSC") in accordance with the "Guidelines Governing Establishment of Internal Control Systems by Public Companies".

Article 13 : The Procedures for Supervising Derivative Transactions Conducted by Subsidiaries

1. If any Company's subsidiary intends to conduct derivative transactions, such subsidiary's own handling procedures for conducting derivative transactions shall be adopted in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies " promulgated by the FSC and after consulting with the Company's opinions. .In accordance with the procedures for engaging in derivatives trading.
2. If the above mentioned subsidiary is not a domestic public company, the Company shall make a public announcement and file the necessary report(s) in accordance with Article 8 hereof, for and on behalf of such subsidiary, of the derivative transactions conducted by such subsidiary.
3. The Company shall supervise its subsidiaries to check whether or not the handling procedures for conducting derivative transactions are in compliance with the relevant law and regulations or not and whether the subsidiary conducts derivative transactions in accordance with such subsidiary's own handling procedures for conducting derivative

transactions.

4. The Company's internal auditing personnel shall review and check the examination reports produced by each subsidiary.

Article 14 : Penalty

If any manager or person in-charge of the derivative transactions, due to his/her negligence, violates the Handling Procedures and as a result causes serious damages to the Company, such manager or person shall report to his/her direct superior and the most senior decision-making officer of the Finance department immediately. Such a manager or person's violation shall be handled in accordance with the relevant internal personnel and administration regulations of the Company. If it is found that such manager or person intentionally violated the Handling Procedures and as a result caused damages to the Company, the Company may, in addition to the punishment made in accordance with its relevant internal regulations, require such manager or person to compensate the Company's loss. The punishment and how to handle the above mentioned violation shall be reported to the next Board of Directors meeting.

Article 15 : Miscellaneous

1. The term "subsidiary" as used in the Handling Procedures, shall have the same meaning as defined in the Regulations Governing the Preparing of Financial Reports by Securities Issuers.
2. The terms "make a public announcement" and "file the necessary report(s)" as used in the Handling Procedures, shall mean information disclosure posted on the website designated by the FSC.

Article 16 : Effectiveness and Amendment

1. Enactment of or amendment to the Handling Procedures shall be approved by a majority of all members of the Audit Committee and further submitted to the board of directors for resolution. If enactment of or amendment to the Handling Procedures is not approved by a majority of all members of the Audit Committee, alternatively, such may be approved by two-thirds of all directors, provided that in such case, the resolutions adopted by the Audit Committee shall be recorded in the minutes of the meeting of the board of directors. If for a legitimate reason it is impossible to hold an audit committee meeting, matters on the meeting agenda shall be adopted with the consent of two-thirds or more of the entire board of directors.
2. The Handling Procedures shall be approved by the board of directors and

further submitted to the shareholders meeting for approval and will become effective afterwards.

Article 17 : The Handling Procedures were enacted and approved by the shareholders meeting on May 24, 2024.

Attachment 15

ENNOSTAR Inc.

List of releasing the directors from non-competition restrictions

Name	Positions in Other Companies	Main Business	Place of establishment
Shuang-Lang (Paul) Peng	The Chairman of AUO Megainsight (Xiamen) Co., Ltd.	Sales of software and hardware and consulting services	China
	The Chairman of AUO Megalnsight (Suzhou) Co., Ltd.	Development, sales and licensing of software and hardware and consulting services	China
	The Chairman of Edgetech Data Technologies (Suzhou) Corp., Ltd.	Integration service of software and hardware	China
	The Chairman of AUO Digitech Taiwan Inc.	Design, sales and consulting	Taiwan ROC
AUO Corporation	The director of AUO Power Corporation	Energy management	Taiwan ROC
Representative of AUO Corporation: Yu-Chieh Lin	The deputy general manager of AUO Corporation (TWSE: 2409)	Research, development, production and sales of TFT-LCDs, as well as production and sales of solar modules and systems	Taiwan ROC
Chin-Yung Fan	The Chairman of Amengine Corporation	R&D, production and sales of optical sensing modules	Taiwan ROC

- Mr. Shuang-Lang (Paul) Peng is the Chairman of AUO Corporation. Yu-Chieh Lin was promoted from senior associate to deputy general manager. The company positions listed above are all management positions of companies directly or indirectly invested by AUO Corporation; Economically speaking, there is no conflict of interest against ENNOSTAR Inc.
- Chin-Yung Fan is a valuable manager of the Company. Their current positions are all critical management positions in Ennostar Inc. as well as in the direct or indirect investment companies of Ennostar Group. Ennostar deploys LED industry cooperation from upstream to downstream by strategically establishing a joint venture company with partners to further expand OEM products and customer base by combining the production capabilities and technological advantages of both parties; Economically speaking, there is no conflict of interest against ENNOSTAR Inc.