FOCI Fiber Optic Communications, Inc.
2026 Annual General Shareholders' Meeting Minutes

(The following is a translation of the Chinese version for reference only. If there are any discrepancies between the Chinese and English versions, the Chinese version shall prevail.)

Time:	9:00 a.m. on May 28, 2026 (Thursday)
Location:	4F., No.1, Gongye E. 2nd Rd., Hsinchu Science Park., Hsinchu City (Hsinchu Science Park Life Hub-4F Bach)
Shareholders Present:	The total number of share represented by shareholders present in person or by proxy was 80,209,036 shares (including 21,695,235 shares exercised through e-voting), representing 70.58% of the Company's total outstanding shares of 113,640,567 shares.
Attendance:	Ting-ta Hu (Director and President), Hao Fang (Director, Representative of Wonderland Enterprise Co., Ltd.), Li-jen Kuo (Independent Director and Convener of the Audit Committee), Tzu-ming Wang (Independent Director), Tien-chang Huang (Independent Director), Hsiao-Wen Lin (Attorney-at-Law), Shu-chian Bai (Certified Public Accountant, PwC Taiwan), Ya-fang Yu (Director of Finance Division).

Chairperson: Song-fure Lin   Recorder: Shy-jge Wang

I. Call Meeting to Order

(The aggregate shareholding of the presenting shareholders constituted a quorum.)

II. Chairman's Address (Omitted)

III. Report Items

1. **2025 Business Report (Please refer to attachment 1.)**
2. **2025 Audit Committee's Review Report (Please refer to attachment 2.)**
3. **Report on the 2025 Annual Directors' Remuneration Payment Status**

   Explanatory Notes:

   (1) According to Article 19 of the Company's Articles of Incorporation, if there is a profit in the fiscal year, 5% to 15% shall be appropriated as employee remuneration. Of the aforementioned employee remuneration, no less than 25% shall be allocated for salary adjustments or remuneration distribution to junior employees. In addition, no more than 5% shall be appropriated as director's remuneration. However, if the Company still has accumulated losses, it shall reserve a portion of its earnings to offset the losses first.

(2) The Company's director remuneration payment policy, system, standards, and structure, and the correlation between the responsibilities, risks, time invested, and the amount of remuneration: In addition to considering the evaluation results of the Board of Directors' performance assessment, the Remuneration Committee reviews the directors' participation in company operations and their contribution value, links the reasonableness and fairness of performance risks with the remuneration received, and proposes recommendations to the Board of Directors after considering the Company's operational performance and industry standards.

(3) The 2025 Annual Report did not distribute director remuneration. For the detailed 2025 Annual directors' remuneration payment status, please refer to Attachment 3.

4. Report on the 2025 Status of Private Placement of Common Shares

Explanatory Notes:

(1) At the Annual General Shareholders' Meeting held on May 23, 2025, the Company approved to conduct a private placement of common shares, within the limit of 10,000,000 shares. Pursuant to Article 43-6 of the Securities and Exchange Act, such private placement shall be completed within one year from the date of the shareholders' meeting resolution.

(2) Pursuant to the resolution of the Board of Directors on February 26, 2026, the private placement proposal expired on May 22, 2026, and will therefore not be carried out.

5. Report on the Implementation Status of the Business Improvement Plan

Explanatory Notes:

In connection with the Company's cash capital increase through the issuance of common shares in 2025, and in accordance with the Financial Supervisory Commission (FSC) Letter No. 1140367168 issued on January 5, 2026, the implementation status of the Business Improvement Plan is hereby reported to the Annual General Shareholders' Meeting. Please refer to Attachment 4.

All of the foregoing reports were duly noted.

IV. Recognition Items

1. 2025 Business Report and Financial Statements (proposed by the Board of Directors)

Explanatory Notes:

(1) The Company's 2025 Financial Statements have been audited by accountants Shu-Chien Pai and Tien-Yi Li of PwC Taiwan and submitted to the Audit Committee for review with the Business Report.

(2) Please refer to Attachments 1 and 5 to 6 for the Business Report, Independent Auditors' Report, and Financial Statements referred to in the preceding paragraph for approval.

Resolution:

Voting Result: Shares present at the time of voting: 80,174,439

Voting method	On-site voting	e-voting	Total	%
Approval votes	57,570,712	19,563,253	77,133,965	96.20%
Disapproval votes	0	8,878	8,878	0.01%
Invalid votes	0	0	0	0.00%
Abstention votes/ no votes	908,492	2,123,104	3,031,596	3.78%

The proposal was approved as proposed after voting (Including e-voting).

2. 2025 Annual Loss Appropriation Proposal (proposed by the Board of Directors)

Explanatory Notes:

The after-tax net income of the company in 2025 was NT$16,194,133. Please refer to Attachment 7 for the proposed Statement of Loss Appropriation.

Resolution:

Voting Result: Shares present at the time of voting: 80,174,439

Voting method	On-site voting	e-voting	Total	%
Approval votes	57,570,712	19,572,502	77,143,214	96.21%
Disapproval votes	0	10,578	10,578	0.01%
Invalid votes	0	0	0	0.00%
Abstention votes/ no votes	908,492	2,112,155	3,020,647	3.76%

The proposal was approved as proposed after voting (Including e-voting).

V. Discussion Items

1. Proposed Amendments to Certain Provisions of the "Procedures for Acquisition or Disposal of Assets" (Proposed by the Board of Directors)

Explanatory Notes:

In accordance with the Financial Supervisory Commission (FSC) Order No. 1140383333 issued on July 24, 2025, and in alignment with the Company's establishment of an Audit Committee in lieu of supervisors, certain provisions of the "Procedures for Acquisition or Disposal of Assets" are proposed to be amended. Please refer to Attachment 8 for the comparison table of the amended and existing provisions. The proposal is hereby submitted for discussion.

Resolution:

Voting Result: Shares present at the time of voting: 80,174,439

Voting method	On-site voting	e-voting	Total	%
Approval votes	57,570,712	19,584,485	77,155,197	96.23%
Disapproval votes	0	2,183	2,183	0.00%
Invalid votes	0	0	0	0.00%
Abstention votes/ no votes	908,492	2,108,567	3,017,059	3.76%

The proposal was approved as proposed after voting (Including e-voting).

2. Proposed Amendments to Certain Provisions of the "Procedures for Lending Funds to Other Parties" (Proposed by the Board of Directors)

Explanatory Notes:

In alignment with the Company's establishment of an Audit Committee in lieu of supervisors, certain provisions of the "Procedures for Lending Funds to Other Parties" are proposed to be amended. Please refer to Attachment 9 for the comparison table of the amended and existing provisions. The proposal is hereby submitted for discussion.

Resolution:

Voting Result: Shares present at the time of voting: 80,174,439

Voting method	On-site voting	e-voting	Total	%
Approval votes	57,570,712	19,576,653	77,147,365	96.22%
Disapproval votes	0	3,100	3,100	0.00%
Invalid votes	0	0	0	0.00%
Abstention votes/ no votes	908,492	2,115,482	3,023,974	3.77%

The proposal was approved as proposed after voting (Including e-voting).

3. Proposed Amendments to Certain Provisions of the "Procedures for Endorsements and Guarantees" (Proposed by the Board of Directors)

Explanatory Notes:

In alignment with the Company's establishment of an Audit Committee in lieu of supervisors, certain provisions of the "Procedures for Endorsements and Guarantees" are proposed to be amended. Please refer to Attachment 10 for the comparison table of the amended and existing provisions. The proposal is hereby submitted for discussion.

Resolution:

Voting Result: Shares present at the time of voting: 80,174,439

Voting method	On-site voting	e-voting	Total	%
Approval votes	57,570,712	19,576,428	77,147,140	96.22%
Disapproval votes	0	2,811	2,811	0.00%
Invalid votes	0	0	0	0.00%
Abstention votes/ no votes	908,492	2,115,996	3,024,488	3.77%

The proposal was approved as proposed after voting (Including e-voting).

4. The Company proposes to conduct a private placement of common shares. (Proposed by the Board of Directors)

Explanatory Notes:

(1) Purpose and Scale of Fundraising: To attract strategic investors and enhance long-term partnerships with strategic collaborators while strengthening the Company's working capital to meet its long-term development funding needs, the Board of Directors will seek authorization from the shareholders' meeting to conduct a private placement of common shares within a maximum limit of 10,000 thousand shares. The private placement shall be carried out in one to three tranches within one year from the date of the Shareholders' Meeting resolution.

(2) Explanation of the Private Placement in accordance with Article 43-6 of the "Securities and Exchange Act" and the "Directions for Public Companies Conducting Private Placements of Securities":

(I) Basis and Reasonableness of Private Placement Pricing：

i. The offering price shall be set at no less than 80% of the higher of the following two benchmark prices：

A. The simple arithmetic average closing price of common shares for one, three, or five business days prior to the pricing date, adjusted for ex-rights and ex-dividends, and adding back the post-capital reduction price adjustment.

B. The simple arithmetic average closing price of common shares for thirty business days prior to the pricing date, adjusted for ex-rights and ex-dividends, and adding back the post-capital reduction price adjustment.

C. The actual pricing date and private placement price shall be determined by the Board of Directors within the range approved by the shareholders' meeting based on negotiations with specific investors.

(II) Selection Criteria, Purpose, Necessity, and Expected Benefits of Specific Investors：

i. The private placement targets shall be limited to specific persons as defined under Article 43-6 of the Securities and Exchange Act and Financial Supervisory Commission (FSC) Order No. 1120383220 issued on September 12, 2023. The selected investors must be strategic investors.

ii. Purpose, necessity, and expected benefits of selecting strategic investors:
To support the Company's operational development, the Company will select individuals or entities that can contribute to enhancing its technology, product development, cost reduction, market expansion, or customer relations. Through their experience, technology, knowledge, reputation, or distribution channels, the Company aims to strengthen its competitiveness, improve operational efficiency, and drive long-term growth.

iii. The Company has not yet determined the specific investors for this private placement.

(III) Necessity of Conducting a Private Placement：

i. Reasons for Not Conducting a Public Offering:
Considering the conditions of the capital market, fundraising timeliness, issuance costs, and the three-year transfer restriction on privately placed shares, a private placement is deemed more suitable for securing and strengthening long-term partnerships with strategic collaborators.

ii. Placement Scale, Fund Utilization, and Expected Benefits：

A. Placement Scale：
The Company will conduct the private placement in one to three tranches within one year from the date of the Shareholders' Meeting resolution, depending on market conditions and negotiations with investors. Any unissued shares from previous tranches or future planned issuances may be combined, provided that the total issuance does not exceed 10,000 thousand shares.

B. Purpose of Each Tranche:

To replenish working capital and support the Company's long-term funding needs.

C. Expected Benefits of Each Tranche:

To enhance the Company's competitiveness, improve operational efficiency, support long-term development, and maximize overall shareholder value.

(3) In the year preceding the Board of Directors' resolution to conduct a private placement, there were no significant changes in management control, nor will the introduction of strategic investors through this private placement lead to any significant changes in management control.

(4) The rights and obligations of the common shares issued in this private placement are, in principle, identical to those of the common shares already issued by the Company. However, according to Article 43-8 of the Securities and Exchange Act, except for the transferees and conditions stipulated in the said article, the common shares issued in this private placement shall not be freely transferred within three years after issuance. Upon the expiration of the three-year period, the Board of Directors is authorized to apply to the competent authority for a public issuance registration and trading on the TPEx of these privately placed common shares, based on the prevailing market conditions.

(5) Regarding matters related to this private placement, including the number of shares to be issued, issuance price, issuance conditions, project items, fundraising amount, use of funds, expected progress, and potential benefits, as well as all other matters related to the issuance plan, if changes or amendments are necessary due to revisions in laws or regulations, requirements of the competent authority, operational assessments, or changes in objective circumstances, except for the private placement pricing ratio, it is proposed for the Annual General Shareholders' Meeting to authorize the Board of Directors to adjust, determine, and handle such matters based on the prevailing market conditions. In the future, if there are changes in laws or regulations, instructions from the competent authority to make amendments, or if changes are necessary based on operational assessments or due to objective circumstances, the Board of Directors is also fully authorized to handle such matters.

(6) To facilitate this private placement of common shares, it is proposed that the shareholders' meeting authorize the Chairman to sign, negotiate, and amend all relevant contracts and documents concerning the private placement of common shares on behalf of the Company, and to handle all matters necessary for the issuance of private placement common shares.

<u>Resolution:</u>

Voting Result: Shares present at the time of voting: 80,174,439

Voting method	On-site voting	e-voting	Total	%
Approval votes	57,570,712	19,380,486	76,951,198	95.97%
Disapproval votes	0	231,374	231,374	0.28%
Invalid votes	0	0	0	0.00%
Abstention votes/ no votes	908,492	2,083,375	2,991,867	3.73%

The proposal was approved as proposed after voting (Including e-voting).

VI. Extemporary Motions: None.

VII. Adjournment : 09:35 a.m., May 28, 2026

(No questions were raised by the shareholders present regarding any of the agenda items.)

Note: These Minutes have been prepared in accordance with Paragraph 4, Article 183 of the Company Act and contain a summary of the proceedings and the results of the Meeting. The actual proceedings, procedures, and shareholders' remarks shall be subject to the audio and video recordings of the Meeting.

Attachment 1

Business Report

Dear Shareholders,

After years of investment in precision optical fiber packaging technology, coupled with the development of semiconductor technology and the trends of the technology industry, the Company has secured a key position in the silicon photonics (SiPh) packaging industry. In addition to receiving recognition under the A+ Industrial Innovation R&D Program of the Ministry of Economic Affairs, the Company has continued to collaborate with international customers to develop optical communication products that meet the demands of AI development, while actively advancing its plans for subsequent mass production deployment. 2026 will be a key year for silicon photonics (SiPh) packaging products to step onto the international stage.

In 2025, FOCI's consolidated revenue was NT$1,891,994 thousand, with an EPS of NT$0.16. While focusing on the development of its silicon photonics (SiPh) business development and R&D, the Company has also actively pursued opportunities in its existing optical communication components business to maintain stable operating momentum, thereby serving as a key driver of its corporate transformation. The Company will continue to concentrate resources to meet the needs of key customers, focus its core business on strategic products, and expand the application of optical communication products in the server market. With respect to the planning of its silicon photonics packaging business, in addition to aligning with the plans and timelines of leading international companies and working closely with IC design firms to meet customers' required specifications, the Company will also establish dedicated production lines in accordance with customer requirements to support mass production.

On the R&D front, we will focus on high-density optical coupling, silicon photonics packaging integration, and the improvement of automated process capabilities, and promote process standardization and modular platforms to establish a one-stop solution from fiber arrays and packaging to testing. In addition to continuously refining our services to meet customer specifications and strengthening the development of automated production and testing equipment, we will further work with customers to challenge the limits of technology, strengthen technological innovation and patent portfolio development, and maintain a leading position in the industry.

In terms of production planning, in addition to the construction of the Thailand plant and the expansion of the cleanroom at the Hsinchu plant to meet customers' needs for mass production, we also carry out optimal shift scheduling and workforce expansion plans to meet customers' required shipment volume and quality, and to support various R&D engineering validation requirements. At the same time, the Company continues to optimize the configuration of automated equipment for mass production and enhance its smart manufacturing systems.

With respect to digital transformation and the strengthening of information security, in addition to completing ISO 27001 Information Security Management System certification this year, the Company will promote a Zero Trust project to further enhance information security controls. In terms of corporate sustainable development (ESG), in addition to upholding corporate governance principles of integrity management and legal compliance, the Company will fully implement the ISO 45001 Occupational Health and Safety Management System and continue to advance ISO 14001 and ISO 14064-1 Greenhouse Gas Inventory implementation to ensure higher standards in environmental protection and occupational health and safety. In addition, the Company plans to promote the RBA CSR system to strengthen labor rights protection, ensure that the factory environment meets higher international standards, improve supply chain management, and deepen social responsibility practices.

Upholding integrity and corporate responsibility, FOCI has been steadily deepening the development of Taiwan's optical communication capabilities through talent cultivation and industry-academia collaboration. We also actively participate in charitable activities with social welfare organizations, working together to build a sustainable, low-carbon enterprise committed to giving back to society. Building on our solid foundation, we hope to reach new heights in our business development this year. We extend our sincere gratitude to our shareholders for their continued support and encouragement. FOCI will seize the opportunities presented by AI development, fully expanding our technological advantages and securing a leading market position to repay the support and trust of our shareholders and investors.

I wish all shareholders, ladies and gentlemen, good health, and happiness!

Chairman: Song-fure Lin

President: Ting-ta Hu

Accounting Supervisor: Ya-fang Yu

Attachment 2

Audit Committee’s Review Report

The Board of Directors prepared the Company's 2025 annual Business Report, Financial Statements, and Loss Appropriation Proposal, among which the Financial Statements were audited by accountants Shu-Chien Bai and Tien-Yi Li from PricewaterhouseCoopers Taiwan; an audit report has been issued. The Audit Committee has reviewed the above-mentioned Business Report, Financial Statements, and Loss Appropriation Statement; there is no discrepancy. The report follows the relevant provisions of the Securities and Exchange Act and the Company Act. Please review.

Sincerely,

FOCI Fiber Optic Communications, Inc.

2026 Annual General Shareholders’ Meeting

The Audit Committee

Convener: Li-jen Kuo

Feb 26, 2026

Attachment 3

2025 Annual Directors' Remuneration Payment status

31 Dec 2025; Unit: NT$ thousand

Job Title	Name	Remuneration for Board Directors								Total of A, B, C and D, and percentage to income after tax (note 6)		Remunerations received by employees with concurrent jobs								Total of A, B, C, D, E, F, and G, and percentage to income after tax (note 6)		Pays received from parent company or invested business(s) other than a subsidiary
		Pay (A) (note1)		Pension (B)		Remuneration for Board Director (C) (note 2)		Expense for Professional Service (D) (note 3)				Salary, bonus, and special allowance (E) (note 4)		Pension (F)		Employee Pay (G) (note 5)						
		FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI	All companies in financial statement	FOCI		All companies in financial statement		FOCI	All companies in financial statement	
																Cash amount	Stock amount	Cash amount	Stock amount			
Chairman	Song-fure Lin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director	Lee-chiou Chang	-	-	-	-	-	-	30	30	30 0.19%	30 0.19%	-	-	-	-	-	-	-	-	30 0.19%	30 0.19%	-
Director	Wonderland Enterprise Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Legal Representative: Hao Fang	-	-	-	-	-	-	30	30	30 0.19%	30 0.19%	-	-	-	-	-	-	-	-	30 0.19%	30 0.19%	-
Director	Ting-ta Hu	-	-	-	-	-	-	-	-	-	-	7,091	7,091	108	108	-	-	-	-	7,199 44.45%	7,199 44.45%	-
Independent Director	Li-jen Kuo	1,200	1,200	-	-	-	-	45	45	1,245 7.69%	1,245 7.69%	-	-	-	-	-	-	-	-	1,245 7.69%	1,245 7.69%	-
Independent Director	Tzu-ming Wang	1,200	1,200	-	-	-	-	45	45	1,245 7.69%	1,245 7.69%	-	-	-	-	-	-	-	-	1,245 7.69%	1,245 7.69%	-
Independent Director	Tien-chang Huang	1,200	1,200	-	-	-	-	40	40	1,240 7.66%	1,240 7.66%	-	-	-	-	-	-	-	-	1,240 7.66%	1,240 7.66%	-

1. Please describe the policy, system, criteria, and structure to pay Independent Directors, and state the correlation between the job they perform, risks, and time input and the amount of their pay: The remuneration of FOCI's Independent Directors is also reviewed by the remuneration committee for the extent of their participation in and contributions for FOCI, in addition to considering the evaluation results obtained from the performance evaluation of the Board of Directors. Suggestions are submitted to the Board of Directors for resolution based on Company’s business performance.
2. The remuneration received by Board Directors in the most recent year for providing services (such as serving as a consultant of FOCI/an invested enterprise for the parent company/finance/report and not a FOCI employee, etc.), in addition to the disclosure in the table above: None.

Note 1: This refers to the remuneration of Directors for the fiscal year 2025 (including Director salaries, duty allowance, severance pay, bonuses, incentives, etc.).

Note 2: This is the amount of Directors' remuneration distributed by the Board of Directors for the fiscal year 2025.

Attachment 3

Note 3: It refers to the relevant business execution expenses of directors for the fiscal year 2025 (including travel expenses, special allowance, various allowances, and payment in kind like dormitory and company car, etc.). If housing, cars and other means of transportation or exclusive personal expenses are provided, the nature and cost of the assets provided, the actual or calculated rent at fair market prices, fuel and other payments shall be disclosed. In addition, if a driver is provided, the relevant remuneration paid by the Company to the driver shall be noted, but will not be included in the remuneration.

Note 4: This refers to the remuneration received by Directors who are also employees for the fiscal year 2025 (such as President, Vice President, other Managers, and employees as a concurrent position), including salary, duty allowance, severance pay, various bonuses, rewards, travel expenses, special allowance, various allowances, and payment in kind such as dormitories and company car. If housing, cars and other means of transportation or exclusive personal expenses are provided, the nature and cost of the assets provided, the actual or calculated rent at fair market prices, fuel and other payments shall be disclosed. In addition, if a driver is provided, the relevant remuneration paid by the Company to the driver shall be noted, but will not be included in the remuneration. The salary expenses recognized in accordance with IFRS 2 "Share-Based Payment", including the acquisition of Employee Share Subscription Warrants, new shares with restricted employee rights, and participation in cash capital increase subscription shares, etc., shall be included in remuneration.

Note 5: For Directors who are also employees for the fiscal year 2025 (such as President, Vice President, other Managers, and employees as a concurrent position) and received employee remuneration (including stock and cash), the amount of employee remuneration distributed by the Board of Directors in the most recent year shall be disclosed. If it is impossible to estimate, the proposed distribution amount for this year shall be calculated based on the proportion of the actual distribution amount of last year.

Note 6: Net income refers to the net profit after tax as disclosed in the individual financial report for the fiscal year 2025.

Note 7: The content of remuneration disclosed in this table is different from the concept of income in the Income Tax Act. This table is for information disclosure and not for taxation purposes.

Attachment 4

Implementation Status of the Business Improvement Plan

Pursuant to the Financial Supervisory Commission (FSC) Letter No. 1140367168 issued on January 5, 2026, the implementation status of the Company's Business Improvement Plan shall be reported to the Board of Directors quarterly for monitoring and control, and reported to the shareholders' meeting.

(I) Business Improvement Plan

Unit: NT$ thousand

Quarter / Item	Q1 2025 Actual	Q2 2025 Actual	Q3 2025 Actual	Q4 2025 Estimated	2025 Estimated
Operating Revenue	411,403	582,076	507,741	366,000	1,867,220
Operating Costs	340,859	467,157	386,848	302,028	1,496,892
Gross Profit	70,544	114,919	120,893	63,972	370,328
Operating Expenses	77,377	82,769	109,959	109,944	380,049
Operating Income (Loss)	(6,833)	32,150	10,934	(45,972)	(9,721)
Non-operating Revenues and Expenses	9,021	(18,805)	10,292	7,260	7,768
Income (Loss) Before Tax	2,188	13,345	21,226	(38,712)	(1,953)
Net Income (Loss)	1,110	16,870	20,579	(34,880)	3,679

(II) Status of Implementation of the Business Improvement Plan

Unit: NT$ thousand

2025				
Item	Estimated	Actual	Variance	Achievement Rate
Operating Revenue	1,867,220	1,891,994	24,774	101.3%
Operating Costs	1,496,892	1,537,079	40,187	102.7%
Gross Profit	370,328	354,915	(15,413)	95.8%
Operating Expenses	380,049	354,427	(25,622)	93.3%
Operating Income (Loss)	(9,721)	488	10,209	(5.0)%
Non-operating Revenues and Expenses	7,768	22,324	14,556	287.4%
Income (Loss) Before Tax	(1,953)	22,812	24,765	(1,168.0)%
Net Income (Loss)	3,679	16,194	12,515	440.1%

Attachment 4

(III) Implementation Status of the Business Improvement Plan

1. In 2025, the achievement rates for operating revenue and gross profit were 101.3% and 95.8%, respectively. Operating revenue increased by NT$24,774 thousand compared with the estimated amount, while gross profit decreased by NT$15,413 thousand. This was primarily attributable to low yield rates of new products, resulting in higher operating costs.
2. Operating expenses decreased by NT$25,622 thousand compared with the estimated amount, mainly due to the reversal of accrued employee compensation and reduced R&D expenses in the fourth quarter in line with project progress, which led to lower material consumption for research and development.
3. Non-operating revenues and expenses increased by NT$14,556 thousand compared with the estimated amount, mainly due to the Company's improvement and optimization of machinery and equipment that had been subject to impairment provisions in line with the development of its silicon photonics business, and the integration of these facilities into the silicon photonics production line, resulting in asset recovery benefits.
4. Overall, the Company reported net income of NT$16,194 thousand for 2025, with an achievement rate of 440.1%, representing an increase of NT$64,466 thousand compared with the previous year (2024). The Company’s operating performance improved from a loss to a profit. Going forward, FOCI will continue to maintain stable operating capabilities and actively promote research and market expansion of its silicon photonics-related business to enhance its medium- to long-term operational stability.

Attachment 5

Representation Letter

In connection with the Consolidated Financial Statements of Affiliated Enterprises of FOCI FIBER OPTIC COMMUNICATIONS, INC. (the “Consolidated FS of the Affiliates”), we represent to you that, the entities required to be included in the Consolidated FS of the Affiliates as of and for the year ended December 31, 2025 in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those required to be included in the Consolidated Financial Statements of FOCI FIBER OPTIC COMMUNICATIONS, INC. and its subsidiaries (the “Consolidated FS of the Group”) in accordance with International Financial Reporting Standard 10. Additionally, the information required to be disclosed in the Consolidated FS of Affiliates is disclosed in the Consolidated FS of the Group. Consequently, FOCI FIBER OPTIC COMMUNICATIONS, INC. does not prepare a separate set of Consolidated FS of Affiliates.

Very truly yours,
FOCI FIBER OPTIC COMMUNICATIONS, INC.
By

Song-fure Lin, Chairman
February 26, 2026

Attachment 5

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR25000390

To the Board of Directors and Shareholders of FOCI Fiber Optic Communications, Inc.

Opinion

We have audited the accompanying consolidated balance sheets of FOCI Fiber Optic Communications, Inc. and subsidiaries (the "Group") as at December 31, 2025 and 2024, 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and 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 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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements 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.

Assessment of Inventory Valuation

Description of key audit matter

Refer to Note 4(14) for accounting policies on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses, and Note 6(6) for details of inventories. The Group is primarily engaged in researching, developing, manufacturing, selling of optical fiber communication. Due to the rapid innovations in communication technology and the highly competitive market, there was a higher risk of incurring inventory loss on decline in market value or having obsolete inventory. Given that the net realisable value used in the inventory valuation usually involved subjective judgement and estimation uncertainty, and the inventories were material to the financial statements, we considered the inventory valuation as one of the key audit matters.

How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures are as follows:

1. Obtained an understanding on the Group’s operations and its industry characteristic to assess the reasonableness of the Group’s policies on and procedures for allowance for inventory valuation losses.

2. Assessed and tested the reasonableness of the basis of net realisable value used by management and the accuracy of the net realisable value calculation.
3. Acquired management's individually identified obsolete or damaged inventory list, inspected the related supporting documents and proper recognition in the financial statements.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of FOCI Fiber Optic Communications, Inc. as at and for the years ended December 31, 2025 and 2024.

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

As part of an audit in accordance with the 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.

Shu-Chien Pai　　　　　　Li, Tien-Yi

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 26, 2026

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.

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.

Attachment 5

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 1,411,972	45	$ 1,469,741	50
1110	Financial assets at fair value through profit or loss - current	6(2)	19,700	1	43,050	1
1150	Notes receivable, net	6(5)	23	-	2,461	-
1170	Accounts receivable, net	6(5)	276,416	9	282,464	9
1200	Other receivables		4,835	-	10,558	-
1220	Current income tax assets		4,152	-	-	-
130X	Inventories	6(6)	408,706	13	287,857	10
1470	Other current assets		81,585	2	45,157	2
11XX	**Current Assets**		2,207,389	70	2,141,288	72
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	38,998	1	100,455	4
1535	Financial assets at amortised cost - non-current	6(4) and 8	2,939	-	2,939	-
1600	Property, plant and equipment	6(8)	647,424	21	485,106	16
1755	Right-of-use assets	6(9)	104,894	3	95,726	3
1760	Investment property, net	6(11)	1,920	-	49,724	2
1780	Intangible assets		22,375	1	31,831	1
1840	Deferred income tax assets	6(28)	55,560	2	50,786	2
1900	Other non-current assets	6(12)	75,580	2	9,373	-
15XX	**Non-current assets**		949,690	30	825,940	28
1XXX	**Total assets**		$ 3,157,079	100	$ 2,967,228	100

(Continued)

Attachment 5

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(13)	$ 153,133	5	$ -	-
2130	Contract liabilities - current	6(21)	2,523	-	8,616	-
2150	Notes payable		2,669	-	1,905	-
2170	Accounts payable		190,965	6	199,716	7
2200	Other payables	6(14)	138,865	4	102,503	4
2230	Current income tax liabilities		-	-	4,436	-
2250	Current provisions		8,153	-	11,004	-
2280	Lease liabilities - current		19,346	1	16,185	1
2300	Other current liabilities		6,320	-	2,850	-
21XX	**Current Liabilities**		521,974	16	347,215	12
	Non-current liabilities					
2570	Deferred income tax liabilities	6(28)	2,703	-	5,612	-
2580	Lease liabilities - non-current		83,254	3	82,051	3
2600	Other non-current liabilities		56	-	1,714	-
25XX	**Non-current liabilities**		86,013	3	89,377	3
2XXX	**Total Liabilities**		607,987	19	436,592	15
	Equity					
	Share capital	6(17)				
3110	Share capital - common stock		1,036,406	33	1,036,406	35
	Capital surplus	6(18)				
3200	Capital surplus		1,463,952	47	1,439,857	49
	Retained earnings	6(19)				
3310	Legal reserve		136,341	4	136,341	5
3320	Special reserve		221,187	7	221,187	7
3350	Accumulated deficit		(84,040)	(3)	(81,442)	(3)
	Other equity interest	6(20)				
3400	Other equity interest		(224,754)	(7)	(221,713)	(8)
3XXX	**Total equity**		2,549,092	81	2,530,636	85
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 3,157,079	100	$ 2,967,228	100

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

Attachment 5

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings (loss) per share amounts)

			Year ended December 31			
			2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(21) and 7	$ 1,891,994	100	$ 1,363,877	100
5000	Operating costs	6(6)(26)(27)	(1,537,079)	(81)	(1,184,721)	(87)
5900	Net operating margin		354,915	19	179,156	13
	Operating expenses	6(26)(27)				
6100	Selling expenses		(31,917)	(2)	(29,349)	(2)
6200	General and administrative expenses		(110,261)	(6)	(96,395)	(7)
6300	Research and development expenses		(212,250)	(11)	(146,640)	(11)
6450	Expected credit gains (losses)	12(2)	1	-	(148)	-
6000	Total operating expenses		(354,427)	(19)	(272,532)	(20)
6900	Operating gain (loss)		488	-	(93,376)	(7)
	Non-operating income and expenses					
7100	Interest income	6(22)	19,261	1	13,496	1
7010	Other income	6(23)	18,746	1	12,150	1
7020	Other gains and losses	6(24)	(7,549)	-	15,465	1
7050	Finance costs	6(25)	(8,134)	(1)	(2,603)	-
7060	Share of loss of associates and joint ventures accounted for using equity method	6(7)	-	-	(1,664)	-
7000	Total non-operating income and expenses		22,324	1	36,844	3
7900	**Profit (loss) before income tax**		22,812	1	(56,532)	(4)
7950	Income tax (expense) benefit	6(28)	(6,618)	-	8,260	-
8200	**Profit (loss) for the year**		$ 16,194	1	($ 48,272)	(4)
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gain (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)(20)	($ 46,017)	(2)	($ 47,501)	(3)
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(20)	4,981	-	19,350	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(20)(28)	(997)	-	(3,870)	-
8300	**Other comprehensive loss for the year**		($ 42,033)	(2)	($ 32,021)	(2)
8500	**Total comprehensive loss for the year**		($ 25,839)	(1)	($ 80,293)	(6)
	Profit (loss), attributable to:					
8610	Owners of parent		$ 16,194	1	($ 48,272)	(4)
	Comprehensive loss attributable to:					
8710	Owners of parent		($ 25,839)	(1)	($ 80,293)	(6)
	Basic earnings (loss) per share	6(29)				
9750	Basic earnings (loss) per share		$	0.16	($	0.48)
	Diluted earnings (loss) per share	6(29)				
9850	Diluted earnings (loss) per share		$	0.16	($	0.48)

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

Attachment 5

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent							
				Retained earnings			Other equity interest		
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings (Accumulated deficit)	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
2024									
Balance at January 1, 2024		$ 986,406	$ 1,017,177	$ 135,135	$ 168,227	$ 54,166	($ 41,894)	($ 180,968)	$ 2,138,249
Loss for the year		-	-	-	-	(48,272)	-	-	(48,272)
Other comprehensive income (loss) for the year	6(20)	-	-	-	-	-	15,480	(47,501)	(32,021)
Total comprehensive income (loss)		-	-	-	-	(48,272)	15,480	(47,501)	(80,293)
Appropriation and distribution of 2023 earnings	6(19)								
Legal reserve		-	-	1,206	-	(1,206)	-	-	-
Special reserve		-	-	-	52,960	(52,960)	-	-	-
Cash capital increase	6(17)(18)	50,000	472,000	-	-	-	-	-	522,000
Cash dividends from capital surplus	6(18)(19)(30)	-	(49,320)	-	-	-	-	-	(49,320)
Disposal of financial assets or liabilities at fair value through other comprehensive income	6(3)(20)	-	-	-	-	(33,170)	-	33,170	-
Balance at December 31, 2024		$ 1,036,406	$ 1,439,857	$ 136,341	$ 221,187	($ 81,442)	($ 26,414)	($ 195,299)	$ 2,530,636
2025									
Balance at January 1, 2025		$ 1,036,406	$ 1,439,857	$ 136,341	$ 221,187	($ 81,442)	($ 26,414)	($ 195,299)	$ 2,530,636
Profit for the year		-	-	-	-	16,194	-	-	16,194
Other comprehensive income (loss) for the year	6(20)	-	-	-	-	-	3,984	(46,017)	(42,033)
Total comprehensive income (loss)		-	-	-	-	16,194	3,984	(46,017)	(25,839)
Disposal of financial assets or liabilities at fair value through other comprehensive income	6(3)(20)	-	-	-	-	(18,792)	-	18,792	-
Disposal of subsidiary	6(20)	-	-	-	-	-	20,200	-	20,200
Share-based payments	6(16)(18)	-	24,095	-	-	-	-	-	24,095
Balance at December 31, 2025		$ 1,036,406	$ 1,463,952	$ 136,341	$ 221,187	($ 84,040)	($ 2,230)	($ 222,524)	$ 2,549,092

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

Attachment 5

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		$ 22,812	($ 56,532)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(8)(9)(11)(26)	107,288	100,351
Amortisation expense	6(26)	15,672	13,945
Expected credit (gains) losses	12(2)	(1)	148
Net gain on financial assets at fair value through profit or loss	6(2)(24)	(4,361)	(1,620)
Interest expense	6(25)	8,134	2,603
Interest income	6(22)	(19,261)	(13,496)
Dividend income	6(23)	(1,140)	(4,500)
Share-based payments	6(16)(18)(27)	24,095	-
Share of profit of associates accounted for using equity method	6(7)	-	1,664
(Gain) loss on disposals of property, plant and equipment	6(24)	(79)	524
Loss on disposals of investments	6(24)	-	4,500
Loss on disposals of subsidiary	4(3) and 6(24)	20,200	-
Reversal of impairment loss on property, plant and equipment	6(8)(24)	(15,615)	(689)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		2,438	(1,820)
Accounts receivable		6,049	(3,551)
Other receivables		2,540	326
Inventories		(120,849)	(43,046)
Other current assets		(36,431)	(30,262)
Changes in operating liabilities			
Contract liabilities - current		(6,093)	6,360
Notes payable		764	32
Accounts payable		(8,751)	82,717
Other payables		2,009	19,160
Provisions		(2,851)	5,804
Other current liabilities		3,470	391
Cash inflow generated from operations		39	83,009
Dividends received		1,140	4,500
Income taxes paid		(18,631)	(17,804)
Net cash flows (used in) from operating activities		(17,452)	69,705

(Continued)

FOCI FIBER OPTIC COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at fair value through profit or loss		$ 27,711	$ 168,970
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	15,439	611
Acquisition of property, plant and equipment	6(30)	(154,220)	(181,620)
Proceeds from disposal of property, plant and equipment		169	353
Increase in guarantee deposits paid		(2,211)	-
Decrease in guarantee deposits paid		-	4,363
Acquisition of intangible assets		(6,211)	(34,997)
Decrease in other non-current assets		638	1,093
(Increase) decrease in prepayments for equipment		(64,634)	46,786
Interest received		18,492	13,260
Net cash flows (used in) from investing activities		(164,827)	18,819
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(31)	1,144,043	-
Decrease in short-term loans	6(31)	(990,910)	-
Decrease in guarantee deposits received	6(31)	(1,658)	-
Payments of lease liabilities	6(31)	(22,332)	(16,828)
Cash dividends paid	6(19)(30)	-	(49,293)
Cash capital increase	6(17)	-	522,000
Interest paid		(7,571)	(2,603)
Net cash flows from financing activities		121,572	453,276
Effect of exchange rate changes		2,938	14,901
Net (decrease) increase in cash and cash equivalents		(57,769)	556,701
Cash and cash equivalents at beginning of year		1,469,741	913,040
Cash and cash equivalents at end of year		$ 1,411,972	$ 1,469,741

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

Attachment 6

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR25000419

To the Board of Directors and Shareholders of FOCI Fiber Optic Communications, Inc.

Opinion

We have audited the accompanying parent company only balance sheets of FOCI Fiber Optic Communications, Inc. as at December 31, 2025 and 2024, and the related parent company only 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, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of FOCI Fiber Optic Communications, Inc. as at December 31, 2025 and 2024, and its parent company only financial performance and its parent company only 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 Statements 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 FOCI Fiber Optic Communications, Inc. in accordance with the Norm of Professional Ethics for Certified

Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Assessment of Inventory Valuation

Description of key audit matter

Refer to Note 4(13) for accounting policies on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses, and Note 6(6) for details of inventories. FOCI Fiber Optic Communications, Inc. is primarily engaged in researching, developing, manufacturing, selling of optical fiber communication. Due to the rapid innovations in communication technology and the highly competitive market, there was a higher risk of incurring inventory loss on decline in market value or having obsolete inventory. Given that the net realisable value used in the inventory valuation usually involved subjective judgement and estimation uncertainty, and the inventories were material to the financial statements, we considered the inventory valuation as one of the key audit matters.

How the matter was addressed in our audit

In relation to the key audit matter above, our principal audit procedures are as follows:

1. Obtained an understanding on the Company's operations and its industry characteristic to assess the reasonableness of the Company's policies on and procedures for allowance for inventory valuation losses.
2. Assessed and tested the reasonableness of the basis of net realisable value used by management and the accuracy of the net realisable value calculation.
3. Acquired management's individually identified obsolete or damaged inventory list, inspected the related supporting documents and proper recognition in the financial statements.

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 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 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 FOCI Fiber Optic Communications, Inc.'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 FOCI Fiber Optic Communications, Inc. 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 FOCI Fiber Optic Communications, Inc.'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 the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the 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 FOCI Fiber Optic Communications, Inc.'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 FOCI Fiber Optic Communications, Inc.'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 FOCI Fiber Optic Communications, Inc. 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.

Attachment 6

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.

Shu-Chien Pai	Li, Tien-Yi

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 26, 2026

Attachment 6

FOCI FIBER OPTIC COMMUNICATIONS, INC.
BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes		December 31, 2025 AMOUNT	%		December 31, 2024 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$	1,240,344	41	$	1,265,014	43
1110	Financial assets at fair value through profit or loss - current	6(2)		19,700	1		43,050	2
1150	Notes receivable, net	6(5)		23	-		2,461	-
1170	Accounts receivable, net	6(5)		208,000	7		270,780	9
1180	Accounts receivable - related parties	6(5) and 7		42,777	2		51,477	2
1200	Other receivables			2,925	-		8,657	-
1210	Other receivables - related parties	7		943	-		-	-
130X	Inventories	6(6)		280,627	9		219,170	7
1470	Other current assets			26,339	1		28,972	1
11XX	**Current Assets**			1,821,678	61		1,889,581	64
	Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income	6(3)		38,998	1		100,455	3
1535	Non-current financial assets at amortised cost, net	6(4) and 8		2,939	-		2,939	-
1550	Investments accounted for using equity method	6(7)		332,990	11		318,438	11
1600	Property, plant and equipment	6(8)		584,232	19		435,866	15
1755	Right-of-use assets	6(9)		81,064	3		70,953	2
1760	Investment property - net	6(11)		1,920	-		49,724	2
1780	Intangible assets			21,882	1		31,394	1
1840	Deferred income tax assets	6(28)		55,560	2		50,786	2
1900	Other non-current assets	6(12) and 7		64,696	2		6,385	-
15XX	**Non-current assets**			1,184,281	39		1,066,940	36
1XXX	**Total assets**		$	3,005,959	100	$	2,956,521	100

(Continued)

Attachment 6

FOCI FIBER OPTIC COMMUNICATIONS, INC.
BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(13)	$ 153,133	5	$ -	-
2130	Current contract liabilities	6(21)	2,523	-	8,616	-
2150	Notes payable		2,669	-	1,905	-
2170	Accounts payable		45,710	2	28,362	1
2180	Accounts payable - related parties	7	46,438	2	212,421	7
2200	Other payables	6(14) and 7	112,093	4	80,901	3
2250	Current provisions		8,153	-	11,004	1
2280	Current lease liabilities		5,242	-	2,737	-
2300	Other current liabilities		5,340	-	1,995	-
21XX	**Current Liabilities**		381,301	13	347,941	12
	Non-current liabilities					
2570	Deferred tax liabilities	6(28)	2,703	-	5,612	-
2580	Non-current lease liabilities		72,807	2	70,618	2
2600	Other non-current liabilities		56	-	1,714	-
25XX	**Non-current liabilities**		75,566	2	77,944	2
2XXX	**Total Liabilities**		456,867	15	425,885	14
	Equity					
	Share capital	6(17)				
3110	Share capital - common stock		1,036,406	34	1,036,406	35
	Capital surplus	6(18)				
3200	Capital surplus		1,463,952	49	1,439,857	49
	Retained earnings	6(19)				
3310	Legal reserve		136,341	5	136,341	5
3320	Special reserve		221,187	7	221,187	8
3350	Accumulated deficit		(84,040)	(3)	(81,442)	(3)
	Other equity interest	6(20)				
3400	Other equity interest		(224,754)	(7)	(221,713)	(8)
3XXX	**Total equity**		2,549,092	85	2,530,636	86
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 3,005,959	100	$ 2,956,521	100

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

Attachment 6

FOCI FIBER OPTIC COMMUNICATIONS, INC.
STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings (loss) per share amounts)

	Items	Notes	2025 AMOUNT	2025 %	2024 AMOUNT	2024 %
4000	Sales revenue	6(21)	$ 1,757,503	100	$ 1,314,337	100
5000	Operating costs	6(6)(26)(27)	(1,447,154)	(82)	(1,190,316)	(90)
5900	Net operating margin		310,349	18	124,021	10
5910	Unrealized (profit) loss from sales		(530)	-	1,172	-
5920	Realized profit on from sales		1,172	-	6	-
5950	Net operating margin		310,991	18	125,199	10
	Operating expenses	6(26)(27)				
6100	Selling expenses		(29,111)	(2)	(25,370)	(2)
6200	General and administrative expenses		(86,397)	(5)	(72,063)	(6)
6300	Research and development expenses		(212,251)	(12)	(146,640)	(11)
6450	Expected credit gains (losses)	12(2)	18	-	(6)	-
6000	Total operating expenses		(327,741)	(19)	(244,079)	(19)
6900	Operating loss		(16,750)	(1)	(118,880)	(9)
	Non-operating income and expenses					
7100	Interest income	6(22)	18,761	1	12,587	1
7010	Other income	6(23)	16,602	1	7,647	1
7020	Other gains and losses	6(24)	14,731	1	3,232	-
7050	Finance costs	6(25)	(7,057)	-	(1,387)	-
7070	Share of (loss) profit of associates and joint ventures accounted for using equity method	6(7)	(9,170)	(1)	28,658	2
7000	Total non-operating income and expenses		33,867	2	50,737	4
7900	**Profit (loss) before income tax**		17,117	1	(68,143)	(5)
7950	Income tax (expense) benefit	6(28)	(923)	-	19,871	1
8200	**Profit (loss) for the year**		$ 16,194	1	($ 48,272)	(4)
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)(20)	($ 46,017)	(2)	($ 47,501)	(3)
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(20)	4,981	-	19,350	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(20)(28)	(997)	-	(3,870)	-
8300	**Other comprehensive loss for the year**		($ 42,033)	(2)	($ 32,021)	(2)
8500	**Total comprehensive loss for the year**		($ 25,839)	(1)	($ 80,293)	(6)
	Basic earnings (loss) per share	6(29)				
9750	Basic earnings (loss) per share		$ 0.16		($ 0.48)	
	Diluted earnings (loss) per share	6(29)				
9850	Diluted earnings (loss) per share		$ 0.16		($ 0.48)	

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

Attachment 6

FOCI FIBER OPTIC COMMUNICATIONS, INC.
STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

				Retained earnings			Other equity interest		
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
2024									
Balance at January 1, 2024		$ 986,406	$ 1,017,177	$ 135,135	$ 168,227	$ 54,166	($ 41,894)	($ 180,968)	$ 2,138,249
Loss for the year		-	-	-	-	(48,272)	-	-	(48,272)
Other comprehensive income (loss) for the year		-	-	-	-	-	15,480	(47,501)	(32,021)
Total comprehensive (loss)income		-	-	-	-	(48,272)	15,480	(47,501)	(80,293)
Appropriation and distribution of 2023 earnings	6(19)								
Legal reserve		-	-	1,206	-	(1,206)	-	-	-
Special reserve		-	-	-	52,960	(52,960)	-	-	-
Cash capital increase	6(17)(18)	50,000	472,000	-	-	-	-	-	522,000
Capital surplus used to issue cash	6(18)	-	(49,320)	-	-	-	-	-	(49,320)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	6(3)(20)	-	-	-	-	(33,170)	-	33,170	-
Balance at December 31, 2024		$ 1,036,406	$ 1,439,857	$ 136,341	$ 221,187	($ 81,442)	($ 26,414)	($ 195,299)	$ 2,530,636
2025									
Balance at January 1, 2025		$ 1,036,406	$ 1,439,857	$ 136,341	$ 221,187	($ 81,442)	($ 26,414)	($ 195,299)	$ 2,530,636
Profit for the year		-	-	-	-	16,194	-	-	16,194
Other comprehensive income (loss) for the year		-	-	-	-	-	3,984	(46,017)	(42,033)
Total comprehensive (loss) income		-	-	-	-	16,194	3,984	(46,017)	(25,839)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	6(13)(20)	-	-	-	-	(18,792)	-	18,792	-
Disposal of subidiary	6(20)	-	-	-	-	-	20,200	-	20,200
Share-based payments	6(16)(18)	-	24,095	-	-	-	-	-	24,095
Balance at December 31, 2025		$ 1,036,406	$ 1,463,952	$ 136,341	$ 221,187	($ 84,040)	($ 2,230)	($ 222,524)	$ 2,549,092

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

Attachment 6

FOCI FIBER OPTIC COMMUNICATIONS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		$ 17,117	($ 68,143)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(8)(9)(11)(26)	81,641	77,556
Amortisation expense	6(26)	15,585	13,866
Expected credit (gains) loss	12(2)	(18)	6
Net (gain) loss on financial assets at fair value through profit or loss	6(24)	(4,361)	(1,620)
Interest expense	6(25)	7,057	1,387
Interest income	6(22)	(18,761)	(12,587)
Dividend income	6(3)(23)	(1,140)	(4,500)
Share-based payments	6(16)(27)	24,095	-
Share of profits of subsidiaries, associates and joint ventures	6(7)	9,170	(28,658)
Gain on disposal of property, plant and equipment	6(24)	(131)	(101)
Losses on disposals of investments	6(24)	-	4,500
Reversal of impairment loss on property, plant and equipment	6(8)(24)	(15,615)	(689)
Unrealized (realized) gains with subsidiaries		(642)	(1,178)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		2,438	(1,820)
Accounts receivable		62,798	(7,396)
Accounts receivable - related parties		8,700	29,830
Other receivables		2,549	(2,966)
Other receivables - related parties		(269)	1,856
Inventories		(61,457)	(18,999)
Other current assets		2,633	(21,908)
Changes in operating liabilities			
Notes payable		764	32
Accounts payable		17,348	(15,419)
Accounts payable - related parties		(165,983)	(60,331)
Other payables		(1,220)	14,820
Current contract liabilities		(6,093)	6,360
Current provisions		(2,851)	5,804
Other current liabilities		3,345	444
Cash outflow generated from operations		(23,301)	(89,854)
Dividends received	6(3)	30,314	43,962
Income taxes paid		(4,654)	(7,968)
Net cash flows from (used in) operating activities		2,359	(53,860)

(Continued)

Attachment 6

FOCI FIBER OPTIC COMMUNICATIONS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at fair value through profit or loss		$ 27,711	$ 168,970
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	15,439	611
Impairment loss of investments accounted for using equity method		(104,294)	-
Proceeds from capital reduction of investments accounted for using equity method	6(7)	75,506	97,560
Acquisition of property, plant and equipment	6(30)	(132,007)	(168,030)
Proceeds from disposal of property, plant, and equipment		400	301
Acquisition of intangible assets		(6,073)	(38,017)
Increase in guarantee deposits paid		(49)	-
Decrease in guarantee deposits paid		-	187
(Increase) decrease in prepayments for equipment		(58,900)	46,786
Decrease in other non-current assets		638	1,093
Interest received		17,992	12,351
Net cash flows (used in) from investing activities		(163,637)	121,812
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(31)	1,144,043	-
Decrease in short-term loans	6(31)	(990,910)	-
Decrease in guarantee deposits received	6(31)	(1,658)	-
Payments of lease liabilities	6(31)	(8,374)	(3,449)
Cash dividends paid	6(19)(30)	-	(49,293)
Cash capital increase	6(17)	-	522,000
Interest paid		(6,493)	(1,387)
Net cash flows from financing activities		136,608	467,871
Net (decrease) increase in cash and cash equivalents		(24,670)	535,823
Cash and cash equivalents at beginning of year		1,265,014	729,191
Cash and cash equivalents at end of year		$ 1,240,344	$ 1,265,014

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

Attachment 7

2025 Statement of Loss Appropriation

Unit: NT$

Item	Amount
Beginning accumulated deficit	(81,441,475)
Less: Disposal of equity instruments measured at fair value through other comprehensive income	(18,792,808)
Add: Net income after tax for the year 2025	16,194,133
Unappropriated accumulated deficit for the period	**(84,040,150)**
Deficit compensation items:	
Add: Legal reserve appropriated to offset deficit	84,040,150
Unappropriated accumulated deficit at end of period	**0**

Attachment 8

Comparison Table of Amendments to the "Procedures for Acquisition or Disposal of Assets"

Article	Post-amendment	Pre-amendment	Reason
Article 2	Legal Basis These Procedures are established in accordance with Article 36-1 of the "Securities and Exchange Act" and the relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."	Legal Basis These Procedures are established in accordance with Article 36-1 of the "Securities and Exchange Act" (the "Act") and the relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."	Text revised accordingly
Article 7	Related Party Transactions I. (Omitted) II. Assessment and Operating Procedures: Where the Company acquires or disposes of real property or right-of-use assets from or to a related party, or engages in the acquisition or disposal of assets other than real property or right-of-use assets with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, except for the trading of domestic government bonds, bonds with repurchase or resale agreements, or subscription to or redemption of money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the Audit Committee and the Board of Directors for approval before entering into the transaction contract or making any payment: (I) The purpose, necessity, and expected benefits of the acquisition or disposal of assets. (II) The reasons for selecting the related party as the transaction counterparty. (III) In the case of acquiring real property or right-of-use assets from a related party, relevant information for assessing the reasonableness of the proposed transaction terms in accordance with Subparagraphs (I) and (IV), Paragraph III of this Article.	Related Party Transactions I. (Omitted) II. Assessment and Operating Procedures: Where the Company acquires or disposes of real property or right-of-use assets from or to a related party, or engages in the acquisition or disposal of assets other than real property or right-of-use assets with a related party, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, except for the trading of domestic government bonds, bonds with repurchase or resale agreements, or subscription to or redemption of money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the Board of Directors for approval and recognized by the Supervisors before entering into the transaction contract or making any payment: (I) The purpose, necessity, and expected benefits of the acquisition or disposal of assets. (II) The reasons for selecting the related party as the transaction counterparty. (III) In the case of acquiring real property or right-of-use assets from a related party, relevant information for assessing the reasonableness of the proposed transaction terms in accordance with Subparagraphs	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

Attachment 8

Article	Post-amendment	Pre-amendment	Reason
	(IV) The original acquisition date and price by the related party, the transaction counterparty, and their relationship with the Company and the related party. (V) A monthly cash flow projection for the one-year period commencing from the anticipated contract month, together with an assessment of the necessity of the transaction and the reasonableness of the use of funds. (VI) An appraisal report issued by a professional appraiser obtained in accordance with applicable regulations, or an opinion issued by a certified public accountant. (VII)The restrictions and other material terms and conditions of the transaction. Where the Company or a subsidiary that is not a domestic public company engages in the aforementioned transactions, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information set forth in the preceding paragraph to the shareholders' meeting for approval before entering into the transaction contract or making any payment. This requirement shall not apply to transactions between the Company and its parent or subsidiaries, or among its subsidiaries. The calculation of the transaction amount referred to above shall be conducted in accordance with Subparagraph VII, Paragraph I, Article 12, and the term "within one year" shall be calculated retrospectively for a one-year period based on the date of occurrence of the current transaction. Any portion that has already been submitted to and approved by the Audit Committee, the Board of Directors, and the shareholders' meeting in accordance with these Regulations shall be excluded from the calculation.	(I) and (IV), Paragraph III of this Article. (IV) The original acquisition date and price by the related party, the transaction counterparty, and their relationship with the Company and the related party. (V) A monthly cash flow projection for the one-year period commencing from the anticipated contract month, together with an assessment of the necessity of the transaction and the reasonableness of the use of funds. (VI) An appraisal report issued by a professional appraiser obtained in accordance with applicable regulations, or an opinion issued by a certified public accountant. (VII)The restrictions and other material terms and conditions of the transaction. Where the Company or a subsidiary that is not a domestic public company engages in the aforementioned transactions, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information set forth in the preceding paragraph to the shareholders' meeting for approval before entering into the transaction contract or making any payment. This requirement shall not apply to transactions between the Company and its parent or subsidiaries, or among its subsidiaries. The calculation of the transaction amount referred to above shall be conducted in accordance with Subparagraph VII, Paragraph I, Article 12, and the term "within one year" shall be calculated retrospectively for a one-year period based on the date of occurrence of the current transaction. Any portion that has already been submitted to and approved by the shareholders' meeting and the Board of Directors and recognized by the supervisors in accordance	

Attachment 8

<table>
<tr><th>Article</th><th>Post-amendment</th><th>Pre-amendment</th><th>Reason</th></tr>
<tr><td></td><td>Where the Company engages in the following transactions with its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, the Board of Directors authorizes the Chairman to make decisions within an amount not exceeding NT$100 million, with such decisions to be subsequently submitted to the most recent Board meeting for ratification:

1. Acquisition or disposal of equipment or right-of-use assets for operating use.
2. Acquisition or disposal of right-of-use assets of real property for operating use.
When matters are submitted to the Board of Directors for discussion pursuant to the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.

III. Assessment of the Reasonableness of Transaction Costs (Omitted)

(V) Where the Company acquires real property or right-of-use assets from a related party, and the results of the evaluation conducted in accordance with Subparagraphs (I), (II), (III), and (IV) of Paragraph III of this Article are all lower than the transaction price, the following actions shall be taken:
1. The Company shall appropriate a special reserve in accordance with Paragraph I, Article 41 of the Securities and Exchange Act for the difference between the transaction price of the real property</td><td>with these Regulations shall be excluded from the calculation.

Where the Company engages in the following transactions with its subsidiaries, or between subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or total capital, the Board of Directors authorizes the Chairman to make decisions within an amount not exceeding NT$100 million, with such decisions to be subsequently submitted to the most recent Board meeting for ratification:

I. Acquisition or disposal of equipment or right-of-use assets for operating use.
II. Acquisition or disposal of right-of-use assets of real property for operating use.
When matters are submitted to the Board of Directors for discussion pursuant to the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.

III. Assessment of the Reasonableness of Transaction Costs (Omitted)

(V) Where the Company acquires real property or right-of-use assets from a related party, and the results of the evaluation conducted in accordance with Subparagraphs (I), (II), (III), and (IV) of Paragraph III of this Article are all lower than the transaction price, the following actions shall be taken:
1. The Company shall appropriate a special reserve in accordance with Paragraph I, Article 41 of the</td><td></td></tr>
</table>

Attachment 8

Article	Post-amendment	Pre-amendment	Reason
	or right-of-use assets and the assessed cost, and such reserve shall not be distributed or used for capital increase by issuing new shares. If an investor adopting the equity method to account for its investment in the Company is a public company, it shall also appropriate a special reserve in proportion to its shareholding in accordance with Paragraph I, Article 41 of the Securities and Exchange Act. 2. The Independent Director members of the Audit Committee shall act in accordance with Article 218 of the Company Act. 3. The handling status of Subparagraph (V), Items 1 and 2 of Paragraph III of this Article shall be submitted to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and the prospectus. Where the Company or a public company that accounts for its investment in the Company using the equity method has appropriated a special reserve in accordance with the foregoing provisions, such special reserve shall not be utilized unless the asset acquired or leased at a higher price has been recognized for impairment loss, disposed of, or the lease has been terminated, or appropriate compensation has been made or the original condition has been restored, or other evidence confirms that there is no unreasonableness, and such utilization has been approved by the Financial Supervisory Commission, Executive Yuan.	Securities and Exchange Act for the difference between the transaction price of the real property or right-of-use assets and the assessed cost, and such reserve shall not be distributed or used for capital increase by issuing new shares. If an investor adopting the equity method to account for its investment in the Company is a public company, it shall also appropriate a special reserve in proportion to its shareholding in accordance with Paragraph I, Article 41 of the Securities and Exchange Act. 2. Supervisors shall act in accordance with Article 218 of the Company Act. Where an Audit Committee has been established in accordance with the Securities and Exchange Act, the provisions of the preceding sentence shall apply mutatis mutandis to the Independent Directors of the Audit Committee. 3. The handling status of Subparagraph (V), Items 1 and 2 of Paragraph III of this Article shall be submitted to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and the prospectus. Where the Company or a public company that accounts for its investment in the Company using the equity method has appropriated a special reserve in accordance with the foregoing provisions, such special reserve shall not be utilized unless the asset acquired or leased at a higher price has been recognized for impairment loss, disposed of, or the lease has been terminated, or appropriate compensation has been made or the	

Attachment 8

Article	Post-amendment	Pre-amendment	Reason
	Where the Company acquires real property or right-of-use assets from a related party, and there is other evidence indicating that the transaction does not conform to normal business practices, the provisions of this Subparagraph shall also apply. (Omitted)	original condition has been restored, or other evidence confirms that there is no unreasonableness, and such utilization has been approved by the Financial Supervisory Commission, Executive Yuan. Where the Company acquires real property or right-of-use assets from a related party, and there is other evidence indicating that the transaction does not conform to normal business practices, the provisions of this Subparagraph shall also apply. (Omitted)	
Article 8	Procedures for acquiring or disposing of real property, equipment or their right-to-use assets, securities, intangible assets or their right-to-use assets, or membership certificates (Omitted) II. Procedure for Determining Transaction Terms and Authorized Limits (I) In the acquisition or disposal of real property, equipment, or right-of-use assets, the transaction terms and price shall be determined with reference to publicly announced current values, appraised values, and actual transaction prices of neighboring properties, and shall be conducted by means of price inquiry, comparison, negotiation, or tendering, as applicable. The acquisition or disposal of real estate, equipment, or right-of-use assets shall be assessed by the implementing unit. Transactions amounting to NT$30 million (inclusive) or more shall be submitted to the Board of Directors for approval before implementation. However, the Chairman is authorized	Procedures for acquiring or disposing of real property, equipment or their right-to-use assets, securities, intangible assets or their right-to-use assets, or membership certificates (Omitted) II. Procedure for Determining Transaction Terms and Authorized Limits (I) In the acquisition or disposal of real property, equipment, or right-of-use assets, the transaction terms and price shall be determined with reference to publicly announced current values, appraised values, and actual transaction prices of neighboring properties, and shall be conducted by means of price inquiry, comparison, negotiation, or tendering, as applicable. The acquisition or disposal of real estate, equipment, or right-of-use assets shall be assessed by the implementing unit. Transactions amounting to NT$30 million (inclusive) or more shall be submitted to the Board of Directors for approval before implementation. However, the Chairman is authorized	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

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	to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board meeting for ratification. (II) In the acquisition or disposal of securities conducted on a centralized securities exchange or at the business premises of a securities firm, the responsible unit shall determine the transaction based on prevailing market conditions. For securities not traded on a centralized securities exchange or at the business premises of a securities firm, the most recent financial statements of the target company, audited or reviewed by a certified public accountant, shall be obtained as a reference for evaluating the transaction price. The acquisition or disposal of securities with a transaction amount of NT$30 million (inclusive) or more shall be subject to approval by the Board of Directors before implementation. However, the Chairman is authorized to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board meeting for ratification. (III) In the acquisition or disposal of membership certificates, the transaction terms and price shall be determined with reference to fair market value, and an analysis report shall be prepared and submitted to the President for approval. The transaction amount shall not exceed NT$30 million. (IV) In the acquisition or disposal of intangible assets or right-of-use assets, the transaction terms and price shall be determined with reference to an expert appraisal report or fair market value, and an analysis	to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board meeting for ratification. (II) In the acquisition or disposal of securities conducted on a centralized securities exchange or at the business premises of a securities firm, the responsible unit shall determine the transaction based on prevailing market conditions. For securities not traded on a centralized securities exchange or at the business premises of a securities firm, the most recent financial statements of the target company, audited or reviewed by a certified public accountant, shall be obtained as a reference for evaluating the transaction price. The acquisition or disposal of securities with a transaction amount of NT$30 million (inclusive) or more shall be subject to approval by the Board of Directors before implementation. However, the Chairman is authorized to make a decision in advance within a limit of NT$300 million (inclusive), and shall subsequently submit the decision to the most recent Board meeting for ratification. (III) In the acquisition or disposal of membership certificates, the transaction terms and price shall be determined with reference to fair market value, and an analysis report shall be prepared and submitted to the President for approval. The transaction amount shall not exceed NT$30 million. (IV) In the acquisition or disposal of intangible assets or right-of-use assets, the transaction terms and price shall be determined with reference to an expert appraisal report or fair market value, and an analysis	

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	report shall be prepared and submitted to the Chairman for approval. The transaction amount shall not exceed 15% of the Company's net worth or NT$300 million. Where the transaction amount exceeds NT$30 million (inclusive), it shall be approved by the Chairman and reported to the next Board meeting for recordation. (V) Where the Company's acquisition or disposal of assets is required to be approved by the Board of Directors in accordance with the prescribed procedures or applicable laws and regulations, and the Company has established Independent Directors pursuant to the Securities and Exchange Act, when such transactions are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. (Omitted)	report shall be prepared and submitted to the Chairman for approval. The transaction amount shall not exceed 15% of the Company's net worth or NT$300 million. Where the transaction amount exceeds NT$30 million (inclusive), it shall be approved by the Chairman and reported to the next Board meeting for recordation. (V) Where the Company's acquisition or disposal of assets is required to be approved by the Board of Directors in accordance with the prescribed procedures or applicable laws and regulations, and any Director expresses dissent with a record or written statement, the Company shall also submit the dissenting opinions of the Directors to each Supervisor. In addition, where the Company has established Independent Directors pursuant to the Securities and Exchange Act, when such transactions are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. (Omitted)	
Article 10	Procedures for acquiring or disposing of derivatives (Omitted) III. Internal Audit System (I) Internal auditors shall regularly assess the adequacy of internal controls over derivatives transactions. They shall also conduct monthly audits of the trading department's compliance with the Company's Procedures for Acquisition or Disposal of Derivative Products, analyze the transaction cycle, and prepare	Procedures for acquiring or disposing of derivatives (Omitted) III. Internal Audit System (I) Internal auditors shall regularly assess the adequacy of internal controls over derivatives transactions. They shall also conduct monthly audits of the trading department's compliance with the Company's Procedures for Acquisition or Disposal of Derivative Products, analyze the transaction cycle, and prepare	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain

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Article	Post-amendment	Pre-amendment	Reason
	audit reports. In the event of any material violation, a written notice shall be submitted to the Audit Committee. (II) Internal auditors shall, by the end of February of the following year, report the audit reports together with the annual internal audit results to the Securities and Futures Institute, and shall, by no later than the end of May of the following year, report the status of improvements on any irregularities to the Securities and Futures Institute for recordation. IV. Principles for supervision and management by the Board of Directors in engaging in derivatives transactions (I) The Board of Directors shall designate senior management personnel to continuously monitor and control the risks associated with derivatives transactions. The management principles are as follows: 1. Regularly assess whether the current risk management measures are appropriate and ensure that they are implemented in accordance with these Regulations and the Company's Procedures for Acquisition or Disposal of Derivative Products. 2. Supervise transaction activities and profit and loss conditions. In the event of any abnormality, necessary response measures shall be taken and immediately reported to the Board of Directors. The Company has established Independent Directors, such matters shall be attended by Independent Directors at the Board meeting and their opinions shall be expressed. (II) Regularly evaluate whether the performance of derivatives transactions is consistent with the	audit reports. In the event of any material violation, a written notice shall be submitted to the Supervisors. Where the Company has established Independent Directors in accordance with the Securities and Exchange Act, matters required to be notified to the Supervisors pursuant to the preceding paragraph shall also be notified in writing to the Independent Directors. Where the Company has established an Audit Committee in accordance with the Securities and Exchange Act, the provisions relating to Supervisors as set forth above shall apply mutatis mutandis to the Audit Committee. (II) Internal auditors shall, by the end of February of the following year, report the audit reports together with the annual internal audit results to the Securities and Futures Institute, and shall, by no later than the end of May of the following year, report the status of improvements on any irregularities to the Securities and Futures Institute for recordation. IV. Principles for supervision and management by the Board of Directors in engaging in derivatives transactions (I) The Board of Directors shall designate senior management personnel to continuously monitor and control the risks associated with derivatives transactions. The management principles are as follows: 1. Regularly assess whether the current risk management measures are appropriate and ensure that they are implemented in accordance with these Regulations and the Company's Procedures for Acquisition or Disposal of Derivative Products.	provisions have been revised accordingly.

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	Company's established operating strategies and whether the associated risks are within the Company's acceptable risk tolerance. (III) Where the Company engages in derivatives transactions and authorizes relevant personnel to handle such transactions in accordance with the prescribed Procedures for Acquisition or Disposal of Derivative Products, such transactions shall be subsequently reported to the most recent Board meeting. (IV) When engaging in derivatives transactions, the Company shall maintain a register for recordation, in which the types and amounts of derivatives transactions, the dates of approval by the Board of Directors, and the matters required to be carefully evaluated under this Article shall be duly recorded for reference.	2. Supervise transaction activities and profit and loss conditions. In the event of any abnormality, necessary response measures shall be taken and immediately reported to the Board of Directors. <u>Where the Company </u>has established <u>Independent Directors</u>, such matters shall be attended by Independent Directors at the Board meeting and their opinions shall be expressed. (II) Regularly evaluate whether the performance of derivatives transactions is consistent with the Company's established operating strategies and whether the associated risks are within the Company's acceptable risk tolerance. (III) Where the Company engages in derivatives transactions and authorizes relevant personnel to handle such transactions in accordance with the prescribed Procedures for Acquisition or Disposal of Derivative Products, such transactions shall be subsequently reported to the most recent Board meeting. (IV) When engaging in derivatives transactions, the Company shall maintain a register for recordation, in which the types and amounts of derivatives transactions, the dates of approval by the Board of Directors, and the matters required to be carefully evaluated under this Article shall be duly recorded for reference.	
Article 12	Procedures for Information Disclosure I. Items Subject to Public Announcement and Filing and Applicable Thresholds (I) Acquisition or disposal of real property or right-of-use assets from a related party, or acquisition or	Procedures for Information Disclosure I. Items Subject to Public Announcement and Filing and Applicable Thresholds (I) Acquisition or disposal of real property or right-of-use assets from a related party, or acquisition or	In alignment with the amendments to Article 31 of the

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Article	Post-amendment	Pre-amendment	Reason
	disposal of assets other than real property or right-of-use assets with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more. However, this shall not apply to the trading of domestic government bonds, bonds with repurchase or resale agreements, or the subscription to or redemption of money market funds issued by domestic securities investment trust enterprises. (II) Mergers, demergers, acquisitions, or transfers of shares. (III) Losses from derivatives transactions reaching the maximum limit on total or individual contract losses as specified in the relevant procedures. (IV) Where the asset acquired or disposed of is equipment or right-of-use assets for operating use, the counterparty is not a related party, and the transaction amount meets any of the following thresholds: 1. Where the Company's paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more. 2. Where the Company's paid-in capital is NT$10 billion or more but less than NT$50 billion, the transaction amount reaches NT$1 billion or more. 3. Where the Company's paid-in capital is NT$50 billion or more, the transaction amount reaches 5% or more of the Company's paid-in capital. (Omitted)	disposal of assets other than real property or right-of-use assets with a related party, where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more. However, this shall not apply to the trading of domestic government bonds, bonds with repurchase or resale agreements, or the subscription to or redemption of money market funds issued by domestic securities investment trust enterprises. (II) Mergers, demergers, acquisitions, or transfers of shares. (III) Losses from derivatives transactions reaching the maximum limit on total or individual contract losses as specified in the relevant procedures. (IV) Where the asset acquired or disposed of is equipment or right-of-use assets for operating use, the counterparty is not a related party, and the transaction amount meets any of the following thresholds: 1. Where the Company's paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more. 2. Where the Company's paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more. (Omitted)	"Regulations Governing the Acquisition and Disposal of Assets by Public Companies" issued by the Financial Supervisory Commission.
Article 15	Implementation and Amendments The Company's "Procedures for Acquisition or Disposal of Assets" shall be approved by the Audit Committee and the Board	Implementation and Amendments The Company's "Procedures for Acquisition or Disposal of Assets" shall be approved by the Board of Directors, submitted to	In alignment with the Company's establishment

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	of Directors and submitted to the shareholders' meeting for approval; the same shall apply to any amendments thereto. Where the Company has established Independent Directors in accordance with the Securities and Exchange Act, when the "Procedures for Acquisition or Disposal of Assets" are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.	the Supervisors, and then submitted to the shareholders' meeting for approval; the same shall apply to any amendments thereto. Where any Director expresses dissent with a record or written statement, the Company shall also submit the dissenting opinions of the Directors to each Supervisor. In addition, where the Company has established Independent Directors in accordance with the Securities and Exchange Act, when the "Procedures for Acquisition or Disposal of Assets" are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. Where the Company establishes an Audit Committee in lieu of Supervisors, the provisions of these Procedures relating to Supervisors shall cease to apply, and the Audit Committee and its Independent Director members shall exercise their duties in accordance with applicable laws and regulations.	of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

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Comparison Table of Amendments to the "Procedures for Lending Funds to Other Parties"

Article	Post-amendment	Pre-amendment	Reason
Article 1	Purpose and Legal Basis These Procedures for Lending Funds to Other Parties (the "Procedures") are established by the Company for the purpose of managing matters relating to the lending of funds to others, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", for compliance therewith.	Purpose and Legal Basis These Procedures for Lending Funds to Other Parties (the "Procedures") are established by the Company for the purpose of managing matters relating to the lending of funds to others, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" (the "Regulations"), for compliance therewith.	Text revised accordingly
Article 2	Counterparties for Lending of Funds and Evaluation Criteria Pursuant to the Company Act, the Company's funds shall not be loaned to any shareholder or any other person except under the following circumstances: (I) Companies or firms having business dealings with the Company; the term "business dealings" as used herein refers to entities that have purchase or sales transactions with the Company. (II) Companies or firms having a short-term financing need with the Company. The amount of financing shall not exceed 40% of the net worth of the borrowing entity. The term "short-term" as used herein refers to a period of one year or one operating cycle, whichever is longer. The amount of financing refers to the cumulative outstanding balance of the Company's short-term financing.	Counterparties for Lending of Funds and Evaluation Criteria Pursuant to the Company Act, the Company's funds shall not be loaned to any shareholder or any other person except under the following circumstances: (I) Companies or firms having business dealings with the Company; the term "business dealings" as used herein refers to entities that have purchase or sales transactions with the Company. (II) Companies or firms having a short-term financing need with the Company. The amount of financing shall not exceed 40% of the net worth of the borrowing entity. The term "short-term" as used herein refers to a period of one year or one operating cycle, whichever is longer. The amount of financing refers to the cumulative outstanding balance of the Company's short-term financing. The term "net worth" as used herein refers to the equity attributable to owners of the parent company as presented in the balance sheet in accordance with the Regulations	Definitions of terms are summarized in Article 3.

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Article	Post-amendment	Pre-amendment	Reason
		Governing the Preparation of Financial Reports by Securities Issuers.	
Article 3	Definitions of terms The terms "subsidiary" and "parent company" as used in these Procedures shall be determined in accordance with the provisions of the "Regulations Governing the Preparation of Financial Reports by Securities Issuers". The term "net worth" as used in these Procedures refers to the equity attributable to owners of the parent company as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "public announcement and filing" as used in these Procedures refers to the entry of information into the reporting system designated by the Financial Supervisory Commission.	The terms "subsidiary" and "parent company" as used in these Procedures shall be determined in accordance with the provisions of the "Regulations Governing the Preparation of Financial Reports by Securities Issuers". The term "public announcement and filing" as used in these Procedures refers to the entry of information into the reporting system designated by the Financial Supervisory Commission.	Definitions of terms are summarized in Article 3.
Article 4	Total Amount of Funds Available for Lending and Limits for Individual Counterparties Except for subsidiaries, the total amount of funds available for lending shall not exceed 40% of the Company's current net worth. Other than this, the limits may be further categorized into the following two circumstances: (Omitted)	Total Amount of Funds Available for Lending and Limits for Individual Counterparties Except for subsidiaries, the total amount of funds available for lending shall not exceed 40% of the Company's current net worth. Other than the Company, the limits may be further categorized into the following two circumstances: (Omitted)	Text revised accordingly
Article 6	Procedures for Handling and Review I. Application Procedures (I) The borrower shall provide basic information and financial data and complete an application form specifying the purpose of the loan, loan term, and amount, and submit it to the Company's finance	Procedures for Handling and Review I. Application Procedures (I) The borrower shall provide basic information and financial data and complete an application form specifying the purpose of the loan, loan term, and amount, and submit it to the Company's finance department. The review procedures conducted by the	Supplemented with the assessment of collateral acquisition and certain textual revisions.

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Article	Post-amendment	Pre-amendment	Reason
	department. The review procedures conducted by the finance department shall include an assessment of the necessity and reasonableness of the lending of funds, credit investigation and risk evaluation of the borrower, the impact on the Company's operational risks, financial condition, and shareholders' equity, as well as whether collateral should be obtained and the evaluation of the value of such collateral. (II) Where funds are loaned due to business dealings, the responsible personnel of the Company's finance department shall assess whether the loan amount is commensurate with the volume of such business transactions. Where funds are loaned due to short-term financing needs, the reasons and circumstances justifying the loan shall be specified, and a credit investigation shall be conducted. Relevant information, together with the proposed lending terms, shall be submitted to the head of the finance department, the President, and the Chairman. Upon prudent evaluation as to whether the requirements of these Procedures are met, the proposal, along with the evaluation results, shall be submitted to the Board of Directors for approval prior to implementation, and such authority shall not be delegated to any other person. (III) Loans between the Company and its subsidiaries, or between subsidiaries, shall be subject to a board resolution as stipulated in the preceding paragraph, and the Chairman may be authorized to disburse or recycle funds to the same lender within a specified limit and a	finance department shall include an assessment of the necessity and reasonableness of the lending of funds, credit investigation and risk evaluation of the borrower, the impact on the Company's operational risks, financial condition, and shareholders' equity. (II) Where funds are loaned due to business dealings, the responsible personnel of the Company's finance department shall assess whether the loan amount is commensurate with the volume of such business transactions. Where funds are loaned due to short-term financing needs, the reasons and circumstances justifying the loan shall be specified, and a credit investigation shall be conducted. Relevant information, together with the proposed lending terms, shall be submitted to the head of the finance department, the President, and the Chairman. Upon prudent evaluation as to whether the requirements of these Procedures are met, the proposal, along with the evaluation results, shall be submitted to the Board of Directors for approval prior to implementation, and such authority shall not be delegated to any other person. (III) Loans between the Company and its subsidiaries, or between subsidiaries, shall be subject to a board resolution as stipulated in the preceding paragraph, and the Chairman may be authorized to disburse or recycle funds to the same lender within a specified limit and a period not exceeding one year as resolved by the Board of Directors. The aforementioned "specified limit", except as provided in Article 4, means that the authorized	

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Article	Post-amendment	Pre-amendment	Reason
	period not exceeding one year as resolved by the Board of Directors. The aforementioned "specified limit", except as provided in Article 4, means that the authorized loan amount from the Company to a single enterprise shall not exceed 10% of the Company's most recent net asset value. (IV) The Company has appointed Independent Directors. When lending funds to others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board minutes. (Omitted)	loan amount from the Company to a single enterprise shall not exceed 10% of the Company's most recent net asset value. (IV) Where the Company has appointed Independent Directors, when lending funds to others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board Meeting Minutes. (Omitted)	
Article 7	Repayment After the loan has been disbursed, the Company shall regularly monitor the borrower's and guarantor's financial condition, business operations, and credit status. Where collateral has been provided, the Company shall also monitor any changes in its value. Two months prior to the loan maturity date, the borrower shall be notified to repay the principal and interest upon maturity or to apply for an extension. I. Upon repayment of the loan at maturity, the borrower shall first calculate the interest payable and repay the principal together with the interest in full before any promissory notes, IOUs, or other debt repayment instruments may be cancelled and returned to the borrower. II. Where the borrower applies for cancellation of a mortgage,	Repayment After the loan has been disbursed, the Company shall regularly monitor the borrower's and guarantor's financial condition, business operations, and credit status. Where collateral has been provided, the Company shall also monitor any changes in its value. Two months prior to the loan maturity date, the borrower shall be notified to repay the principal and interest upon maturity or to apply for an extension. I. Upon repayment of the loan at maturity, the borrower shall first calculate the interest payable and repay the principal together with the interest in full before any promissory notes, IOUs, or other debt repayment instruments may be cancelled and returned to the borrower. II. Where the borrower applies for cancellation of a mortgage,	Text revised accordingly

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Article	Post-amendment	Pre-amendment	Reason
	the Company shall first verify whether any outstanding loan balance remains in order to determine whether to approve the cancellation of the mortgage.	the Company shall first verify whether any outstanding loan balance remains in order to determine whether to approve the cancellation of the mortgage.	
Article 8	Subsequent Control Measures for Outstanding Loans and Procedures for Handling Overdue Receivables: I. Extension (Omitted) II. Registration and Safekeeping of Cases (I) When the Company engages in lending of funds, it shall establish a register for recordation, in which the borrower, loan amount, date of approval by the Board of Directors, date of loan disbursement, and matters required to be carefully evaluated in accordance with these Procedures shall be duly recorded for reference. (II) The personnel responsible for handling loan cases shall, after disbursement, organize the relevant documents, including contracts, promissory notes and other debt instruments, collateral documents, insurance policies, and correspondence, in proper order, place them into a safekeeping envelope, and indicate on the envelope the contents and the name of the client. The envelope shall then be submitted to the head of the finance department for inspection. Upon confirmation of accuracy, the envelope shall be sealed, and both parties shall sign or affix their seals in the safekeeping register before storage. (III) The Company's internal auditors shall audit the Procedures for Lending Funds to Other Parties and their implementation at least on a quarterly basis and prepare	Subsequent Control Measures for Outstanding Loans and Procedures for Handling Overdue Receivables: I. Extension (Omitted) II. Registration and Safekeeping of Cases (I) When Company engages in lending of funds, it shall establish a register for recordation, in which the borrower, loan amount, date of approval by the Board of Directors, date of loan disbursement, and matters required to be carefully evaluated in accordance with these Procedures shall be duly recorded for reference. (II) The personnel responsible for handling loan cases shall, after disbursement, organize the relevant documents, including contracts, promissory notes and other debt instruments, collateral documents, insurance policies, and correspondence, in proper order, place them into a safekeeping envelope, and indicate on the envelope the contents and the name of the client. The envelope shall then be submitted to the head of the finance department for inspection. Upon confirmation of accuracy, the envelope shall be sealed, and both parties shall sign or affix their seals in the safekeeping register before storage. (III) The Company's internal auditors shall audit the Procedures for Lending Funds to Other Parties and	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

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Article	Post-amendment	Pre-amendment	Reason
	written records. In the event of any material violation, a written notice shall be submitted to the Audit Committee. (IV) Where, due to changes in circumstances, a borrower no longer meets the requirements of these Procedures or the outstanding loan balance exceeds the prescribed limit, the internal auditors shall urge the finance department to establish a deadline for the recovery of the excess loan amount. The remediation plan shall be submitted to the Audit Committee and reported to the Board of Directors, and corrective actions shall be completed in accordance with the prescribed timeline. (V) The responsible personnel shall, by the 5th of each month, prepare a detailed statement of the Company's lending of funds to other companies for the preceding month and submit it for review through the appropriate hierarchical levels.	their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, a written notice shall be submitted to the Supervisors. (IV) Where, due to changes in circumstances, a borrower no longer meets the requirements of these Procedures or the outstanding loan balance exceeds the prescribed limit, the internal auditors shall urge the finance department to establish a deadline for the recovery of the excess loan amount. The remediation plan shall be submitted to each supervisor, and corrective actions shall be completed in accordance with the prescribed timeline. (V) The responsible personnel shall, by the 5th of each month, prepare a detailed statement of the Company's lending of funds to other companies for the preceding month and submit it for review through the appropriate hierarchical levels.	
Article 9	Control Procedures for Subsidiaries' Lending of Funds to Others I. Where a subsidiary of the Company intends to lend funds to others, it shall establish its own Procedures for Lending Funds to Other Parties and conduct such lending in accordance herewith; provided, however, that the net worth shall be calculated based on the subsidiary's net worth. II. Each subsidiary shall, prior to the 5th of each month, prepare a detailed statement of its lending of funds to other companies for the preceding month and submit it to the Company for review.	Control Procedures for Subsidiaries' Lending of Funds to Others I. Where a subsidiary of the Company intends to lend funds to others, it shall establish these Procedures and conduct such lending in accordance herewith; provided, however, that the net worth shall be calculated based on the subsidiary's net worth. II. Each subsidiary shall, prior to the 5th of each month, prepare a detailed statement of its lending of funds to other companies for the preceding month and submit it to the Company for review.	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions

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Article	Post-amendment	Pre-amendment	Reason
	III. The internal auditors of each subsidiary shall also audit the Procedures for Lending Funds to Other Parties and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to the Audit Committee. IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Lending Funds to Other Parties. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the Audit Committee.	III. The internal auditors of each subsidiary shall also audit the Procedures for Lending Funds to Other Parties and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to each Supervisor. IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Lending Funds to Other Parties. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the President.	have been revised accordingly.
Article 10	Information Disclosure I. The Company shall, by the 10th of each month, publicly announce and file the outstanding balance of loans of funds of the Company and its subsidiaries for the preceding month. II. Where the Company's outstanding balance of loans of funds meets any of the following thresholds, it shall make a public announcement and filing within two days from the date of occurrence of the event: (I) The outstanding balance of loans of funds by the Company and its subsidiaries to others reaches 20% or more of the Company's net worth as shown in its most recent financial statements. (II) The outstanding balance of loans of funds by the Company and its subsidiaries to a single enterprise	Information Disclosure I. The Company shall, by the 10th of each month, input the outstanding balance of loans of funds of the Company and its subsidiaries for the preceding month into the Market Observation Post System (MOPS). II. Where the Company's outstanding balance of loans of funds meets any of the following thresholds, it shall, within two days from the date of occurrence of the event, input the relevant information into the Market Observation Post System (MOPS): (I) The outstanding balance of loans of funds by the Company and its subsidiaries to others reaches 20% or more of the Company's net worth as shown in its most recent financial statements.	As the definition of "public announcement and filing" has been set forth in Article 3, certain provisions have been simplified accordingly.

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Article	Post-amendment	Pre-amendment	Reason
	reaches 10% or more of the Company's net worth as shown in its most recent financial statements. (III) Any new loan of funds by the Company or its subsidiaries reaches NT$10 million or more and also reaches 2% or more of the Company's net worth as shown in its most recent financial statements. The term "date of occurrence" as used herein refers to the earliest of the contract execution date, payment date, date of Board resolution, or any other date sufficient to determine the borrower and the loan amount. III. Where a subsidiary of the Company is not a domestic public company and has any matter subject to public announcement and filing under Subparagraph (III) of the preceding paragraph, the Company shall make such announcement and filing on its behalf. IV. The Company shall, in accordance with generally accepted accounting principles, assess the status of loans of funds and recognize an adequate allowance for doubtful accounts. Relevant information shall be appropriately disclosed in the financial statements, and the Company shall provide the necessary information to the Certified Public Accountant for the performance of required audit procedures.	(II) The outstanding balance of loans of funds by the Company and its subsidiaries to a single enterprise reaches 10% or more of the Company's net worth as shown in its most recent financial statements. (III) Any new loan of funds by the Company or its subsidiaries reaches NT$10 million or more and also reaches 2% or more of the Company's net worth as shown in its most recent financial statements. The term "date of occurrence" as used herein refers to the earliest of the contract execution date, payment date, date of Board resolution, or any other date sufficient to determine the borrower and the loan amount. III. Where a subsidiary of the Company is not a domestic public company and has any matter subject to public announcement and filing under Subparagraph (III) of the preceding paragraph, the Company shall make such announcement and filing on its behalf. IV. The Company shall, in accordance with generally accepted accounting principles, assess the status of loans of funds and recognize an adequate allowance for doubtful accounts. Relevant information shall be appropriately disclosed in the financial statements, and the Company shall provide the necessary information to the Certified Public Accountant for the performance of required audit procedures.	
Article 12	Implementation and Amendments These Procedures shall be established by the Company in accordance with applicable regulations and, upon approval by more than one-half of all members of the Audit Committee and by	Implementation and Amendments These Procedures shall, upon approval by the Board of Directors, be submitted to the Supervisors and then to the shareholders' meeting for approval prior to implementation. Where any Director	In alignment with the Company's establishment

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	the Board of Directors, shall be submitted to the shareholders' meeting for approval prior to implementation. Where any Director expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to the Audit Committee and the shareholders' meeting for discussion. The same shall apply to any amendments thereto.If approval by more than one-half of all Audit Committee members is not obtained, the matter may be approved by more than two-thirds of all Directors, and the results of the Audit Committee's review shall be recorded in the minutes of the Board meeting. The Company has established Independent Directors. When these Procedures are submitted to the Board of Directors for discussion in accordance with the first paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.	expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to each Supervisor and the shareholders' meeting for discussion. The same shall apply to any amendments thereto. Where the Company has established Independent Directors, when these Procedures are submitted to the Board of Directors for discussion in accordance with the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. Where the Company establishes an Audit Committee in lieu of Supervisors, the provisions of these Procedures relating to Supervisors shall cease to apply, and the Audit Committee and its Independent Director members shall exercise their duties in accordance with applicable laws and regulations.	of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.

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Comparison Table of Amendments to the "Procedures for Endorsements and Guarantees"

Article	Post-amendment	Pre-amendment	Reason
Article 1	Purpose These Procedures for Endorsements and Guarantees (the "Procedures") are established by the Company to strengthen the financial management of endorsements and guarantees and to reduce operational risks, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies".	Purpose These Procedures for Endorsements and Guarantees (the "Procedures") are established by the Company to strengthen the financial management of endorsements and guarantees and to reduce operational risks, in accordance with Article 36-1 of the Securities and Exchange Act and the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" (the "Regulations").	Text revised accordingly
Article 2	Scope of Application The term "endorsements and guarantees" as used in these Procedures includes the following: I. Financing endorsements/guarantees: (I) Bill discount financing. (II) Endorsement or guarantee made to meet the financing needs of another company. (III) Issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company itself. II. Customs duty endorsement/guarantee, meaning an endorsement or guarantee for the Company itself or another company with respect to customs duty matters. III. Other endorsements/guarantees, meaning endorsements or guarantees beyond the scope of the above two subparagraphs. IV. Any creation the Company of a pledge or mortgage on its	Scope of Application The term "endorsements and guarantees" as used in these Regulations includes the following: I. Financing endorsements/guarantees: (I) Bill discount financing. (II) Endorsement or guarantee made to meet the financing needs of another company. (III) Issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company itself. II. Customs duty endorsement/guarantee, meaning an endorsement or guarantee for the Company itself or another company with respect to customs duty matters. III. Other endorsements/guarantees, meaning endorsements or guarantees beyond the scope of the above two subparagraphs. IV. Any creation by the Company of a pledge or mortgage on	Text revised accordingly

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Article	Post-amendment	Pre-amendment	Reason
	chattel or real property as security for the loans of another company shall also comply with these Procedures.	its chattel or real property as security for the loans of another company shall also comply with these Procedures.	
Article 3	Counterparties Eligible for Endorsements and Guarantees I. The Company may provide endorsements or guarantees for the following entities: (I) Companies having business dealings with the Company. (II) Companies in which the Company directly or indirectly holds more than 50% of the voting shares. (III) Companies that directly or indirectly hold more than 50% of the voting shares of the Company. II. Endorsements and guarantees may be provided among companies in which the Company directly or indirectly holds 90% or more of the voting shares; provided that the total amount shall not exceed 10% of the Company's net worth. However, endorsements and guarantees among companies in which the Company directly or indirectly holds 100% of the voting shares shall be limited to the Company's net worth. The term "net worth" as used in these Procedures refers to the equity attributable to the owners of the parent company as stipulated in the "Regulations Governing the Preparation of Financial Reports by Securities Issuers". III. Where the Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project, or where	Counterparties Eligible for Endorsements and Guarantees I. The Company may provide endorsements or guarantees for the following entities: (I) Companies having business dealings with the Company. (II) Companies in which the Company directly or indirectly holds more than 50% of the voting shares. (III) Companies that directly or indirectly hold more than 50% of the voting shares of the Company. II. Endorsements and guarantees may be provided among companies in which the Company directly or indirectly holds 90% or more of the voting shares; provided that the total amount shall not exceed 10% of the Company's net worth. However, endorsements and guarantees among companies in which the Company directly or indirectly holds 100% of the voting shares shall be limited to the Company's net worth. The term "net worth" as used herein refers to the equity attributable to owners of the parent as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. III. Where the Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for	Text revised accordingly

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Article	Post-amendment	Pre-amendment	Reason
	all the capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, or where companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other, such endorsements/guarantees may be made free of the restriction of the preceding two paragraphs. Capital contribution referred to in the preceding paragraph shall mean capital contribution directly by the Company, or through a company in which the Company holds 100% of the voting shares.	purposes of undertaking a construction project, or where each of the capital contributing shareholders makes endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages, or where companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other, such endorsements/guarantees may be made free of the restriction of the preceding two paragraphs. Capital contribution shall mean capital contribution directly by the Company, or through a company in which the Company holds 100% of the voting shares.	
Article 4	Limits on Endorsements and Guarantees I. The total amount of the Company's external endorsements and guarantees shall not exceed 50% of its current net worth. The amount of endorsements and guarantees provided to a single enterprise shall not exceed 20% of the Company's current net worth, and for a single overseas affiliated company, shall not exceed 30% of the Company's net worth. Where endorsements and guarantees are provided due to business relationships, the amount shall not exceed the total transaction amount between the Company and the counterparty in the most recent fiscal year (whichever is higher between the purchase amount and the sales amount). The net worth shall be based on the most recent financial statements	Limits on Endorsements and Guarantees I. The total amount of the Company's external endorsements and guarantees shall not exceed 50% of its current net worth. The amount of endorsements and guarantees provided to a single enterprise shall not exceed 20% of the Company's current net worth, and for a single overseas affiliated company, shall not exceed 30% of the Company's net worth. Where endorsements and guarantees are provided due to business relationships, the amount shall not exceed the total transaction amount between the Company and the counterparty in the most recent fiscal year (whichever is higher between the purchase amount and the sales amount). The net worth shall be based on the most recent financial statements	Deleted the definition of "net worth" as it has been set forth in Article 3.

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Article	Post-amendment	Pre-amendment	Reason
	audited or reviewed by a certified public accountant. (Omitted)	audited or reviewed by a certified public accountant. The term "net worth" as used herein refers to the equity attributable to owners of the parent company as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. (Omitted)	
Article 5	Decision-Making and Authorization Levels I. The Company shall prudently assess whether any endorsement or guarantee complies with these Procedures and, together with the evaluation results set forth in Paragraph I of Article 6, submit the matter to the Board of Directors for approval prior to implementation. However, where necessary to meet time constraints, the Board of Directors may authorize the Chairman to make decisions within a specified limit, with such decisions to be subsequently submitted to the next Board meeting for ratification. II. Before a subsidiary in which the Company directly or indirectly holds 90% or more of the voting shares provides an endorsement or guarantee in accordance with Subparagraph II, Paragraph I of Article 3, such matter shall be submitted to the Company's Board of Directors for approval prior to implementation. However, this requirement shall not apply to endorsements and guarantees provided among companies in which the Company directly or indirectly holds 100% of the voting	Decision-Making and Authorization Levels I. The Company shall prudently assess whether any endorsement or guarantee complies with these Procedures and, together with the evaluation results set forth in Paragraph I of Article 6, submit the matter to the Board of Directors for approval prior to implementation. However, where necessary to meet time constraints, the Board of Directors may authorize the Chairman to make decisions within a specified limit, with such decisions to be subsequently submitted to the next Board meeting for ratification. II. Before a subsidiary in which the Company directly or indirectly holds 90% or more of the voting shares provides an endorsement or guarantee in accordance with Subparagraph II, Paragraph I of Article 3, such matter shall be submitted to the Company's Board of Directors for approval prior to implementation. However, this requirement shall not apply to endorsements and guarantees provided among companies in which the Company directly or indirectly holds 100% of the voting	Text revised accordingly

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Article	Post-amendment	Pre-amendment	Reason
	shares. III. The Company has appointed Independent Directors. When providing endorsements or guarantees for others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board Meeting Minutes.	shares. III. Where the Company has established Independent Directors, in providing endorsements or guarantees for others, the opinions of each Independent Director shall be fully considered, and their explicit opinions of agreement or disagreement, along with the reasons for their objection, shall be recorded in the Board Meeting Minutes.	
Article 6	Endorsement and Guarantee Procedures I. When a company receiving an endorsement or guarantee needs to use the amount of the endorsement or guarantee within the limit, it shall provide basic information and financial data and submit an application form to the Company's finance department. The finance department shall conduct a detailed evaluation to determine whether it complies with the provisions of these Procedures. Evaluation items include the necessity and reasonableness of the endorsement or guarantee, whether the endorsement or guarantee amount is commensurate with the business transaction amount, the impact on the Company's operational risks, financial condition, and shareholders' equity, and whether collateral should be obtained and its valuation. II. The responsible personnel of the Company’s finance department shall compile the relevant information and evaluation results set forth in the preceding paragraph. If, at the time of processing the endorsement or guarantee, the cumulative outstanding balance does not exceed 30% of	Endorsement and Guarantee Procedures I. When a company receiving an endorsement or guarantee needs to use the amount of the endorsement or guarantee within the limit, it shall provide basic information and financial data and submit an application form to the Company's finance department. The finance department shall conduct a detailed evaluation to determine whether it complies with the provisions of these Procedures. Evaluation items include the necessity and reasonableness of the endorsement or guarantee, whether the endorsement or guarantee amount is commensurate with the business transaction amount, the impact on the Company's operational risks, financial condition, and shareholders' equity, and whether collateral should be obtained and its valuation. II. The responsible personnel of the Company’s finance department shall compile the relevant information and evaluation results set forth in the preceding paragraph. If, at the time of processing the endorsement or guarantee, the cumulative outstanding balance does not exceed 30% of	Text revised accordingly

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Article	Post-amendment	Pre-amendment	Reason
	the Company's current net worth, the matter shall be submitted to the Chairman for approval prior to implementation and subsequently reported to the next Board meeting for ratification. If the cumulative outstanding balance exceeds 30% of the Company's current net worth, the matter shall be submitted to the Board of Directors for approval and handled in accordance with its resolution. III. The register of endorsements and guarantees established by the finance department shall record in detail the endorsed or guaranteed party, amount, date of approval by the Board of Directors or approval by the Chairman, date of the endorsement or guarantee, matters required to be carefully evaluated in accordance with these Procedures, details of the collateral and its appraised value, and the conditions and date for the release of the endorsement or guarantee obligations. (Omitted)	the Company's current net worth, the matter shall be submitted to the Chairman for approval prior to implementation and subsequently reported to the next Board meeting for ratification. If the cumulative outstanding balance exceeds 30% of the Company's current net worth, the matter shall be submitted to the Board of Directors for approval and handled in accordance with its resolution. III. The register of endorsements and guarantees established by the finance department shall record in detail the endorsed or guaranteed party, amount, date of approval by the Board of Directors or approval by the Chairman, date of the endorsement or guarantee, matters required to be carefully evaluated in accordance with these Procedures, details of the collateral and its appraised value, and the conditions and date for the release of the endorsement or guarantee obligations. (Omitted)	
Article 8	Matters to Be Noted in Handling Endorsements and Guarantees: I. The Company's internal auditors shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, a written notice shall be submitted to the Audit Committee. II. Where, due to changes in circumstances, an entity that originally met the requirements of Article 3 of these Procedures subsequently no longer qualifies, or where the	Matters to Be Noted in Handling Endorsements and Guarantees: I. The Company's internal auditors shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, a written notice shall be submitted to each Supervisor. II. Where, due to changes in circumstances, an entity that originally met the requirements of Article 3 of these Procedures subsequently no longer qualifies, or where the	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain

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Article	Post-amendment	Pre-amendment	Reason
	amount of endorsements or guarantees exceeds the limits set forth in Article 4 due to changes in the basis for calculation, the internal auditors shall urge the finance department to ensure that the amount of endorsements or guarantees provided to such entity, or the excess portion, is eliminated upon expiration of the contractual term or within a specified period. The remediation plan shall be submitted to the Audit Committee and reported to the Board of Directors, and corrective actions shall be completed in accordance with the prescribed timeline. III. Where, due to business needs, the Company is required to provide endorsements or guarantees in excess of the limits prescribed under these Procedures and such arrangements meet the applicable requirements, the matter shall be approved by the Board of Directors. More than one-half of the Directors shall jointly assume liability for any potential losses arising from the excess amount, and these Procedures shall be amended and submitted to the shareholders' meeting for ratification. If the shareholders' meeting does not grant approval, the Company shall formulate a plan to eliminate the excess portion within a specified period. The Company has established Independent Directors, when such matters are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director, together with the reasons therefor, shall be recorded in the minutes of the Board meeting.	amount of endorsements or guarantees exceeds the limits set forth in Article 4 due to changes in the basis for calculation, the internal auditors shall urge the finance department to ensure that the amount of endorsements or guarantees provided to such entity, or the excess portion, is eliminated upon expiration of the contractual term or within a specified period. The remediation plan shall be submitted to the Supervisors and reported to the Board of Directors, and corrective actions shall be completed in accordance with the prescribed timeline. III. Where, due to business needs, the Company is required to provide endorsements or guarantees in excess of the limits prescribed under these Procedures and such arrangements meet the applicable requirements, the matter shall be approved by the Board of Directors. More than one-half of the Directors shall jointly assume liability for any potential losses arising from the excess amount, and these Procedures shall be amended and submitted to the shareholders' meeting for ratification. If the shareholders' meeting does not grant approval, the Company shall formulate a plan to eliminate the excess portion within a specified period. Where the Company has established Independent Directors, when such matters are submitted to the Board of Directors for discussion, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director, together with the reasons therefor, shall be recorded in the minutes of the Board meeting.	provisions have been revised accordingly.

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Article	Post-amendment	Pre-amendment	Reason
Article 10	Control Procedures for Subsidiaries' Endorsements and Guarantees I. Where a subsidiary of the Company intends to provide endorsements or guarantees for others, it shall establish its own Operating Procedures for Making of Endorsements/Guarantees and conduct such activities in accordance herewith. II. Each subsidiary shall, prior to the 10th of each month, prepare a detailed statement of endorsements and guarantees provided for others in the preceding month and submit it to the Company for review. III. The internal auditors of each subsidiary shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to the Audit Committee. IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Endorsements and Guarantees. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the Audit Committee.	Control Procedures for Subsidiaries' Endorsements and Guarantees I. Where a subsidiary of the Company intends to provide endorsements or guarantees for others, it shall establish these Procedures and conduct such activities in accordance herewith. II. Each subsidiary shall, prior to the 10th of each month, prepare a detailed statement of endorsements and guarantees provided for others in the preceding month and submit it to the Company for review. III. The internal auditors of each subsidiary shall audit the Procedures for Endorsements and Guarantees and their implementation at least on a quarterly basis and prepare written records. In the event of any material violation, they shall immediately notify the Company's internal auditors in writing, and the Company's internal auditors shall submit such written information to each Supervisor. IV. When the Company's auditors conduct audits at subsidiaries in accordance with the annual audit plan, they shall also review the implementation of the subsidiaries' Procedures for Endorsements and Guarantees. If any deficiencies are identified, the auditors shall continuously monitor the status of corrective actions and prepare a follow-up report to be submitted to the President.	In alignment with the Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.
Article 13	Implementation and Amendments	Implementation and Amendments	In alignment with the

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Article	Post-amendment	Pre-amendment	Reason
	These Procedures shall be established by the Company in accordance with applicable regulations and, upon approval by more than one-half of all members of the Audit Committee and by the Board of Directors, shall be submitted to the shareholders' meeting for approval prior to implementation. Where any Director expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to the Audit Committee and the shareholders' meeting for discussion. The same shall apply to any amendments thereto. Where approval by more than one-half of all Audit Committee members is not obtained, the matter may be approved by more than two-thirds of all Directors, and the results of the Audit Committee review shall be recorded in the minutes of the Board meeting. The Company has established Independent Directors. When these Procedures are submitted to the Board of Directors for discussion in accordance with the first paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting.	These Procedures shall, upon approval by the Board of Directors, be submitted to the Supervisors and then to the shareholders' meeting for approval prior to implementation. Where any Director expresses dissent with a record or written statement, the Company shall submit such dissent together with the materials to each Supervisor and the shareholders' meeting for discussion. The same shall apply to any amendments thereto. Where the Company has established Independent Directors, when these Procedures are submitted to the Board of Directors for discussion in accordance with the preceding paragraph, full consideration shall be given to the opinions of the Independent Directors. Any objection or qualified opinion expressed by an Independent Director shall be recorded in the minutes of the Board meeting. Where the Company establishes an Audit Committee in lieu of Supervisors, the provisions of these Procedures relating to Supervisors shall cease to apply, and the Audit Committee and its Independent Director members shall exercise their duties in accordance with applicable laws and regulations.	Company's establishment of an Audit Committee in lieu of Supervisors, certain provisions have been revised accordingly.