

## ASIA TECH IMAGE INC.

### Procedures of the Acquisition and Disposal of Assets

Article 1      The Company shall handle the acquisition or disposal of assets in compliance with these Procedures. If there are any matters which are not covered in these Procedures, please follow the relevant laws and regulations.

Article 2      Definition of Nouns

1. The term “assets” as used in these Procedures includes the following:
  - (1) Investments in long- and short-term securities (including stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities).
  - (2) Real property (including land, houses and buildings, investment property, and construction enterprise inventory and equipment) and equipment.
  - (3) Memberships.
  - (4) Patents, copyrights, trademarks, franchise rights, and other intangible assets.
  - (5) Right-of-use assets.
  - (6) Claims of financial institution (including receivables, bills purchased and discounted, loans, and overdue receivables).
  - (7) Derivatives.
  - (8) Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer or shares in accordance with law.
  - (9) Other major assets.
2. The term “date of occurrence” as used in these Procedures refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of Boards of Directors resolutions, or other date that can confirm the counterpart and monetary amount of the transaction, whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
3. The term “professional appraiser” as used in these Procedures refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property and equipment.
4. The term “related party or subsidiary” as used in these Procedures is defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
5. The term “within the preceding year” as used in these Procedures refers to the year preceding the date of occurrence of the acquisition or disposal of assets. Items which have been announced need not be counted.
6. The term “financial statement for the most recent period” as used in these Procedures means that the Company shall public the financial statement certified or reviewed by a certified public accountant in accordance with the law before acquiring or disposing of assets.

Where there are any undefined nouns in these procedures, please refer to “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”.

### Article 3

Below are the procedures and limits relevant to the acquisition and disposal of the Company's assets:

1. Acquisition and disposal of long-term securities need to be evaluated by the implementation unit and approved by the Board of Directors before proceeding. The Board of Directors may authorize the Chairman to exercise it and then ratify such transaction during the board meeting.
2. Acquisition and disposal of short-term securities need to be evaluated and executed by the implementation unit and approved by authorized person within the limits specified in Paragraph 10 of this Article.
3. Acquisition and disposal of real property or right-of-use assets: Acquire and dispose any real property or right-of-use assets for business needs shall be proposed by management office. A professional appraisal agency shall be entrusted for appraisal if necessary, and it will be processed after received approval from authorized person. The real property or right-of-use assets acquire from related parties shall receive agreement from Audit Committee and approval from the Board of Directors before proceeding. If the Company or a subsidiary will have a transaction set out in Article 4, Paragraph 1, and the transaction amount will reach 10% or more of the Company's total assets, the Company shall submit related information to the shareholders' meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and its parent company or subsidiaries or between its subsidiaries.
4. In the acquisition of equipment or right-of-use assets as for the expansion of production capacity or product development, where the transaction amount exceeds NTD 300,000 shall submit "Capital Expenditure Application Form" to Chairman for approval. Then procurement department and general affairs unit will make a negotiation or comparison on the price. Where the transaction amount is under NTD 300,000, procurement department and general affairs unit will make a negotiation or comparison on the price, and then it can be processed after receive approval from authorized person.
5. Disposal of equipment or right-of-use assets: Each user department shall submit a proposal for equipment which is unusable or idle that needs to be sold or scrapped. Those who intend to sell the equipment shall hand over to general affairs unit to make a negotiation or comparison on the price. Equipment which needs to be scrapped before durable years shall be scrapped in accordance with revenue service office
6. Intangible assets or right-of-use assets or acquisition and disposal of memberships shall be handled in the same way as equipment.
7. Acquisition and disposal of financial derivatives shall be handled in accordance with Article 3, Paragraph 10.
8. Acquisition and disposal of other assets: where there is the need for acquisition and disposal of other assets due to the Company's business, a proposal shall be submitted by the unit demand. It can be processed after receive approval from authorized person.
9. Implementation Unit  
Acquisition and disposal of long-term and short-term securities: General Affairs Department or other related units.

Acquisition and disposal of real property, equipment thereof and right-of-use assets, memberships, intangible assets thereof and right-of-use assets and other assets thereof: user department, Procurement Department, General Affairs Department or other related units.

10. Limits

Real property or right-of-use assets thereof acquired by the Company for non-business uses shall aggregate to no more than 15% of the net value. Real property or right-of-use assets thereof acquired by individual subsidiaries for non-business uses shall aggregate to no more than 5% of the net value.

The Company's investments in long- and short-term securities shall not exceed 80% of the net value. Individual subsidiaries' investments in long- and short-term securities shall not exceed 80% of the net value.

This requirement does not apply, however, subsidiaries whose main business is investment, or where otherwise provided by Articles of the subsidiaries.

Article 4

Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information in the appropriate format within two days commencing immediately from the date of occurrence of the event:

1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of the Company's paid-in capital, 10 percent or more of the Company's total assets, or NTD 300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
2. Merger, demerger, acquisition or transfer of shares.
3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.
4. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the trading counterparty is not a related party and the transaction amount reaches NTD 500 million.
5. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NTD 500 million.
6. Where an asset transaction other than any of those referred to in the preceding five paragraphs or an investment in China reaches 20 percent or more of the Company's paid-in capital or NTD 300 million; provided, this shall not apply to the following circumstances:
  - (1) Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.
  - (2) Trading of bonds under repurchase or resale agreements, or subscription

or redemption of money market funds issued by domestic securities investment trust enterprises.

The amount of transactions above shall be calculated as follow: the amount of any individual transaction, the cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year, the cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year, the cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

Article 5      When the Company acquires or disposes of assets, it shall be announced in accordance with Article 4 of this Procedures, and the announcement shall comply with the relevant laws and regulations.

Article 6      Procedures for evaluating asset acquisitions and disposals

1. In acquiring or disposing of real property or equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NTD 300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:

- (1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
- (2) Unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, if the discrepancy between the professional appraiser's appraisal result and the transaction amount is 20 percent or more of the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price. The discrepancy between appraisal results and transaction amount is based on the transaction amount.
- (3) Where the transaction amount is NTD 1 billion or more, appraisals from two or more professional appraisers shall be obtained. If the discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price.
- (4) No more than 3 months may elapse between the date of the appraisal

report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

2. To acquire or dispose securities, the Company must obtain the latest certified public accountant (CPA) audited or reviewed financial statements of the issuing company prior to the date of occurrence of the event, for reference in appraising the transaction price. If the transaction amount is 20 percent of the Company's paid-in capital or NTD 300 million or more, the Company shall additionally engage a CPA prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Competent Authorities.
3. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NTD 300 million or more, except in transactions with a domestic government agency, the Company shall engage a CPA prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.
4. Where the Company acquired or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report of CPA opinion.
5. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall not be a related party or de facto related party of any party to the transaction or the Company.

Article 6-1     The calculation of the transaction amounts referred to in the preceding 3 paragraph of Article 6 shall be done in accordance with Article 4, Paragraph 4 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.

#### Article 7

1. Subsidiaries shall handle the acquisition or disposal of assets in compliance with Article 6 these Regulations.
2. If the subsidiary of the Company is not a public company in Taiwan, and its acquiring or disposing of assets reaches the amount for publicly announce and report in compliance with Article 4 these Regulations, it shall be announced and reported by the Company. The paid-in capital or total assets of the Company shall be the standard applicable to a subsidiary referred to in the preceding paragraph in determining whether, relative reaches a threshold of 20 percent of paid-in capital or 10 percent of total assets, it requires public announcement and regulatory filing under Article 4 of these Regulations.
3. The Company shall see to it that its subsidiaries adopt and implement the procedures for the acquisition or disposal of assets. It shall be implemented

after the resolution by the board meeting or shareholders' meeting in accordance with relevant regulations and laws. Subsidiaries which acquire or dispose of assets shall regularly provide relevant information to the Company for review.

Article 8      The Company engages in related party transaction and engages in derivatives trading shall comply with relevant regulations of this Procedures and relevant provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" stipulated by Competent Authorities.

Article 9      Any assets acquired or disposed through mergers, demerges, acquisitions, or transfer of shares shall comply with "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" stipulated by Competent Authorities, other than those regulations in these Procedures.

Article 10     The term derivatives as used in these Procedures means that forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts. The Company does not engage in other derivatives trading other than the above.

Article 11     Financial derivatives are strictly used for hedging purposes to limit the Company's net exposure after internal netting of income against expense, and asset against liability, incurred from business activities. Transactions involving financial derivatives need to be ascertained to be conducted for hedging purposes.

Article 12     The financial personnel in charge of trading and confirming derivative transactions shall be designated by the board and appointed by the Chairman. The respective functions of trading, confirmation and settlement shall be performed by different personnel. The transaction counterparty needs to be informed of the identity of the personnel who is appointed or removed to be responsible for trading and confirmation before the effective date of the relevant appointment or discharge.

Article 13     Transaction Contract Amount And Loss Control

#### Hedging

The amount of total contracts outstanding shall not exceed the net position/exposure for the next six months. There is no stop loss limit for hedging operations.

#### Trading

The Company shall not engage in any transactions for trading purposes.

- Article 14      Performance Evaluation  
Hedging  
Performance is evaluated against pre-determined strategies.
- Article 15      Level of Delegation/Authorization  
The authorized dealers, based on the net position incurring from business activities, shall obtain agreement from the Chairman before executing such agreed transactions.
- Article 16      The Company shall, on a monthly basis, report and publicly disclose the financial derivative transactions conducted by it and its subsidiaries (that are not domestic public companies) up to the end of the previous month in accordance with relevant regulations.  
In addition to the above, all other reporting/disclosure items are subject to the relevant regulations. For any reporting and public disclosure as required above to be made for the Company's subsidiary which is not a domestic public company, the Company is responsible for making such required disclosure on behalf of its relevant subsidiary.  
Should there be any inaccuracies or incompleteness in the Company's required public disclosures, the Company needs to restate its public disclosure on all items in their entirety.
- Article 17      Risk Management
- Credit Risk Control  
Credit risk is controlled by restricting the counterparties that the Company may deal with to those who either have banking relationships with the Company or are internationally renowned and are able to provide sufficient information.
- Market/Price Risk Control  
Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled.
- Liquidity Risk Control  
Liquidity risk shall be controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.
- Cash Flow  
The Company shall maintain adequate level of quick assets and credit facilities to meet the cash settlement requirement.
- Operating Risk Control  
Delegation systems and operating procedures set forth herein are employed to control operating risks.
- Legal Risk Control  
Any legal documents in respect of financial derivative transactions shall first be

reviewed by in-house and/or outside legal counsel before being executed to control legal risk.

Article 18 Internal Control

1. The respective functions of trading, confirmation and settlement shall be performed by different personnel.
2. When the transactions occur, trading personnel shall fill the order forms immediately and hand over to confirmation personnel for confirmation. Confirmation personnel shall confirm the transaction terms with the counterparties and compile into the general table for future references.
3. The evaluation, monitoring, and control of aforementioned risks arising from derivative transactions shall from a section within the Company that is different from the one responsible for the trading, confirmation and settlement thereof. In addition, general manager is accountable to the Chairman and the Board of Directors.

Article 19 Evaluation and Correction of Abnormal Situation

The Finance Division shall prepare a bi-weekly report in connection with the transactions entered into for hedging purposes for the review of the general manager. The Board holds general manager accountable for the evaluation, monitoring, and control of risks arising from financial derivative transactions. The Board is itself responsible for evaluating the Finance Division's hedging performance and results periodically to oversee how well they fit in the Company's overall business and operating strategies and to review if the associated risks thereof have exceeded the Company's risk tolerance. Designated by the Board, general manager shall also be responsible for periodically reviewing the level of adequacy of the current risk control process and its degree of consistency with the principles and procedures set forth herein. Once unusual performances and results have been identified, general manager needs to report same to the Chairman or the Board immediately. After the Company has established independent directors, an independent director shall be present at the meeting and express an opinion, and undertake any actions deemed necessary to rectify same.

Article 20 The Company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully the derivatives trading by the relative trading department adheres to the procedures and relevant provisions, analyze the trading cycle, and prepare an audit report. If any material violation is discovered, Audit Committee shall be notified in writing.

Article 21 The Company engaging in derivatives trading shall establish a log book. Relevant information shall be recorded according to relevant provisions designated by the Competent Authorities, where they shall be retained for 5 years except where another act provides otherwise.

Article 22 During the time handling matters pertaining to the derivatives trading, managers and sponsors shall follow the provisions of these Procedures in order to prevent the loss from improper operation. If managers and sponsors of the Company



violate related laws or these Procedures, he/she shall be punished in accordance with the personnel regulations of the Company.

- Article 23 Where subsidiaries intend to engage in derivatives trading, the Company shall see to it that its subsidiaries adopt and implement the procedures for the derivatives trading. It shall be implemented after the resolution by the board meeting or shareholders' meeting in accordance with relevant regulations and laws. Subsidiaries which engage in derivatives trading shall regularly provide relevant information to the Company for review.
- Article 24 When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within 2 days counting inclusively from the date of knowing of such error or omission.  
Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the provisions, a public report of relevant information shall be made according to relevant provisions designated by the Competent Authorities within 2 days counting inclusively from the date of occurrence of the event:
1. Change, termination, or rescission of a contract signed in regard to the original transaction.
  2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
- Article 25 The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.
- Article 26 During the time handling matters pertaining to the acquisition or disposal of assets, relevant employees shall follow the provisions of these Procedures in order to prevent the loss from improper operation. If relevant employees of the Company violate related laws or these Procedures, he/she shall be punished in accordance with the personnel regulations of the Company.
- Article 27 These Procedures is approved by the Audit Committee and the Board of Directors, and then has been submitted to a shareholders' meeting for approval, the same applies when the Procedures are amended.  
Where the position of independent director has been created, when the Procedures are submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each independent director's opinions, If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.
- Article 28 The Company shall not give up capital increase of Asia Image Tech (Samoa) in future years; Asia Image Tech (Samoa) shall not give up capital increase of Asia Tech Image (Shen Zhen) in future years; if the Company needs to give up the

capital increase of the above companies or dispose the above company due to strategic alliance consideration or others which been approved by TPEx, a special resolution must be approved by the board of the Company.

Article 29      These Procedures are enacted on June 28, 2010, and amended on May 30, 2012 for the first time, on May 29, 2014 for the second time, on June 2, 2016 for the third time, on June 7, 2017 for the fourth time, on June 13, 2019 for the fifth time, and on May 27, 2022 for the sixth time.