

Sentien Printing Factory Co., Ltd.

Operational Procedures for Endorsements and Guarantees

I. Purpose:

The company's external endorsement and guarantee matters shall be handled in accordance with these procedures. Any matters not covered herein shall be processed in accordance with relevant laws and regulations.

II. Types of Endorsements and Guarantees:

1. Financing Endorsements and Guarantees:

- (1). Discounting of notes.
- (2). Endorsements or guarantees made for the financing purposes of other companies.
- (3). Issuing notes to non-financial enterprises as guarantees for the company's financing purposes.

2. Customs Endorsements and Guarantees:

- Refers to endorsements or guarantees related to customs matters for the company or other companies.

3. Other Endorsements and Guarantees:

- Matters that cannot be classified under the above two categories; additionally, if the company provides movable or immovable property as collateral for loans of other companies, it shall also be handled in accordance with these procedures.

III. Scope of Endorsements and Guarantees:

1. Companies that have business dealings with the company.
2. Subsidiaries in which the company directly or indirectly holds more than 50% of the voting rights.
3. Parent companies that directly or indirectly hold more than 50% of the voting rights in the company.
4. Endorsements and guarantees may be provided between companies where the company directly or indirectly holds more than 90% of the voting rights, provided that prior approval is obtained from the company's board of directors, and the amount does not exceed 10% of the company's net worth. However, endorsements and guarantees between companies where the company holds 100% of the voting rights are not subject to this limit.
5. Endorsements and guarantees among peers or co-builders based on contractual agreements for project contracts or joint investment relationships are not subject to the above restrictions.
6. The term "capital contribution" refers to direct contributions by the company or contributions through a company in which it holds 100% of the voting rights.

IV. Limitations on Endorsements and Guarantees:

1. For endorsements and guarantees arising from business dealings, the individual endorsement guarantee

amount shall not exceed the total amount of business transactions between the two parties in the most recent fiscal year and shall not exceed 20% of the company's most recent financial statement net worth. The term "business transaction amount" refers to the higher figure between the purchase or sales amounts between the two parties.

2. The total amount of external endorsements and guarantees by the company shall be limited to 50% of the most recent financial statement net worth.
3. The endorsement guarantee amount for a single enterprise shall not exceed 20% of the most recent financial statement net worth; however, there are no restrictions on the endorsement guarantee amount for subsidiaries in which the company holds more than 50% of the shares, but it shall not exceed 50% of the most recent financial statement net worth.
4. The overall total amount of external endorsements and guarantees by the company and its subsidiaries shall not exceed 50% of the company's net worth, and the limit for a single enterprise shall not exceed 20% of the company's net worth.

V. Decision-Making and Authorization Levels:

1. Matters regarding endorsements and guarantees by the company shall require approval by resolution of the board of directors. When independent directors are appointed, their opinions should be fully considered, and their explicit agreement or disagreement, along with reasons for dissent, should be recorded in the minutes of the board meeting.
2. If the company needs to conduct endorsements and guarantees beyond the limits set forth in these procedures due to business requirements, approval by the board of directors is required, and more than half of the directors must jointly bear the liability for potential losses resulting from exceeding the limits. The procedures must also be amended and submitted for approval by the shareholders' meeting; if the shareholders' meeting disagrees, a plan should be established to eliminate the excess within a specified timeframe. When independent directors are appointed, their opinions must also be fully considered and recorded.

VI. Operating Procedures:

1. Applicants for endorsements and guarantees must submit their requests to the company. The finance department will assess the necessity and reasonableness of the request, conduct credit checks on the endorsement and guarantee targets, evaluate operational risks, financial status, and impacts on shareholder rights, and propose relevant conditions for the endorsement and guarantee. If necessary, the applicant may be required to provide collateral, guarantors, or establish liens or mortgages.
2. After review, the finance department will present its opinions along with relevant materials to the board of directors for deliberation.
3. If the board of directors approves the endorsement and guarantee, the finance department will complete

the seal application form, along with the endorsement and guarantee documentation and the board's approval documents, for the stamp custodian to affix the company seal.

4. After the finance department completes the endorsement and guarantee procedures, the relevant documents will be retained for reference and registered in the "Endorsement and Guarantee Log" to control the endorsement amounts.
5. The company will use the registered company seal for endorsements and guarantees, with both large and small seals kept by designated personnel, used according to prescribed procedures. Any changes in the seal custodians must be reported to and approved by the board of directors.
6. When the company provides endorsements and guarantees to foreign companies, the guarantee letter must be signed by an authorized person from the board of directors and does not require the company seal.

VII. Internal Control and Information Disclosure:

1. The company shall establish a log for endorsements and guarantees, detailing the target, amount, date of approval by the board of directors or the chairman's decision, and the endorsement date for record-keeping.
2. Internal auditors must audit the endorsement and guarantee procedures and execution at least quarterly and maintain written records. If significant violations are found, they must notify the audit committee in writing immediately.
3. When the company or its subsidiaries provide endorsements and guarantees for subsidiaries whose net worth is less than half of the paid-in capital, the internal auditors must audit the endorsement and guarantee procedures and execution at least quarterly and maintain written records, and notify the audit committee in writing of any major violations.
4. If changes in circumstances result in the endorsement and guarantee targets being non-compliant or the amount exceeding limits, a corrective plan must be established, and the relevant plan submitted to the audit committee for completion within the scheduled timeframe.
5. The company must announce and report the endorsement and guarantee balances of the company and its subsidiaries for the previous month by the 10th of each month.
6. If the company's endorsements and guarantees meet any of the following standards, they must be announced and reported within two days from the occurrence of the event:
 - (1). The balance of endorsements and guarantees by the company and its subsidiaries reaches over 50% of the most recent financial statement net worth.
 - (2). The balance of endorsements and guarantees to a single enterprise exceeds 20% of the most recent financial statement net worth.
 - (3). The balance of endorsements and guarantees to a single enterprise exceeds NT\$10 million, and the

cumulative amounts of the endorsement guarantee, equity method investment, and loan balances exceed 30% of the most recent financial statement net worth.

- (4). New endorsements and guarantees amount to NT\$30 million or more and exceed 5% of the most recent financial statement net worth.
7. The term "date of occurrence" refers to the earlier of the signing date, payment date, date of board resolution, or any other date that confirms the endorsement and guarantee target and amount.
8. The company must evaluate or recognize contingent losses from endorsements and guarantees and appropriately disclose relevant information in financial reports, providing necessary documentation for auditors to perform required audit procedures.

VIII. Control Procedures for Subsidiaries:

1. Subsidiaries intending to provide endorsements and guarantees for others must establish "Endorsement and Guarantee Operating Procedures" in accordance with relevant guidelines and ensure that their established procedures comply with the regulations.
2. Subsidiaries must adhere to their established operating procedures when engaging in endorsement and guarantee activities.
3. The company's internal audit must review the subsidiaries' self-inspection reports.
4. If a subsidiary is not a publicly listed company in Taiwan and has matters requiring announcement and reporting, the company will handle the announcement and reporting.
5. For subsidiaries that are not publicly listed companies, the calculation of the ratio of endorsement and guarantee balances to net worth will be based on the ratio of the subsidiary's endorsement and guarantee balances to the company's net worth.
6. The term "subsidiary" refers to those defined under the securities issuer financial reporting standards.
7. For those prepared under international financial reporting standards, the term "net worth" refers to the equity attributable to the owners of the parent as per the financial reporting standards for securities issuers.

IX. Violations by Relevant Managers:

If relevant managers and personnel violate these procedures, the human resources department will impose penalties based on the nature of the violation.

X. Approval of Procedures:

These procedures shall be established after approval by the audit committee and the board of directors and submitted to the shareholders' meeting for consent. If any director raises an objection with a record or written declaration, the company shall forward the objection to all members of the audit committee and present it for discussion at the shareholders' meeting.

XI. Consideration of Independent Directors:

If independent directors are appointed, when the procedures are submitted to the board for discussion, the opinions of all independent directors must be fully considered. If any independent director expresses opposition or reservations, their opinions must be noted in the minutes of the board meeting.

The establishment or amendment of endorsement and guarantee operating procedures must be approved by more than half of the members of the audit committee and submitted for board resolution.

If the above approval is not obtained from more than half of the audit committee members, it may be approved by more than two-thirds of the directors, and the resolution of the audit committee must be noted in the minutes of the board meeting.

The term "members of the audit committee" and "all directors" refers to those currently in office.