

# YIEH PHUI ENTERPRISE CO., LTD.

## Audit Committee Charter

Amended on March 7, 2024

- Article 1 This Charter is adopted pursuant to Article 3 of the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies.
- Article 2 Matters concerning the number, term of office, powers, rules of procedure for meetings, and resources to be provided by this Corporation when the Audit Committee ("the Committee") exercises its powers shall be handled in accordance with this Charter.
- Article 3 The main function of the Audit Committee is to supervise the following matters:
1. Fair presentation of the financial reports of this Corporation.
  2. The hiring (and dismissal), independence, and performance of certificated public accountants of this Corporation.
  3. The effective implementation of the internal control system of this Corporation.
  4. Compliance with relevant laws and regulations by this Corporation.
  5. Management of the existing or potential risks of this Corporation.
- Article 4 The Committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be the convener, and at least one of whom shall have accounting or financial expertise.
- The independent director members of the Committee shall serve a 3-year term, and may be re-elected to further terms. When the number of the independent director members on the Committee falls below that prescribed in the preceding paragraph or in the articles of incorporation due to an independent director's dismissal for any reason, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of the occurrence to hold a by-election to fill the vacancies.

Article 5 Securities Exchanges Act, Corporation Act and other regulation are applicable to the auditing committee.

Article 14-4 Item 4 of Securities Exchanges Act concerning Corporation Act and the duties of supervisors are applicable to the independent directors of this committee.

A decision must be made with the approval of 1/2 of the members and the convener represents the committee.

Articles 213, 214, 223 of Corporation Act on the representative of the company to be chosen following designated procedures. The committee may decide to individually or collectively represent the company. If no representative has been chosen, the members collectively represent the company.

The whole of the members means those still on duty.

Article 6 The powers of the Committee are as follows:

1. The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
2. Assessment of the effectiveness of the internal control system.
3. The adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
4. Matters in which a director is an interested party.
5. Asset transactions or derivatives trading of a material nature.
6. Loans of funds, endorsements, or provision of guarantees of a material nature.
7. The offering, issuance, or private placement of equity-type securities.
8. The hiring or dismissal of a certified public accountant, or their compensation.
9. The appointment or discharge of a financial, accounting, or internal audit officer.
10. The annual financial report and the second season financial report required to be audited and approved by CPA.
11. Other material matters as may be required by this Corporation or by the competent authority.

The matters under the preceding paragraph shall be subject to the approval of one half or more of the entire membership of the Committee and shall be submitted to the board of directors for a resolution.

Any matter in the paragraph 1, with the exception of subparagraph 10, that has not been approved by one half or more of the entire membership of the Committee may be adopted with the approval of two thirds or more of the entire board of directors.

Article 7 The Committee shall convene at least once quarterly, and may call a meeting at its discretion whenever necessary.

In calling a meeting of the Committee, a notice of the reasons for convening the meeting shall be given to each independent director member at least 7 days in advance. In emergency circumstances, however, the meeting may be called on shorter notice.

The location and time for convening has to be at the premise of the company and a time convenient for the members.

The convener cum chairman is to be chosen among the members. If not available in the aforesaid manner, the independent director with the highest votes is to be the convener. When the convener is on leave or unable to convene a meeting for any reason, the convener shall appoint another independent director member on the Committee as acting convener; if the convener does not make such an appointment, one independent director member of the Committee shall be elected by and from the other independent director members of the Committee to serve as convener.

With the written proposals and rationales of 1/2 of the independent directors, the auditing committee may be asked to convene. If the convener fails to convene within 15 days, 1/2 of the members of the independent directors may convene themselves.

The Committee may decide the managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of this Corporation to attend the meeting as non-voting participants and provide pertinent and necessary information, provided that they shall leave the meeting when discussion or voting takes place.

When the Committee calls a meeting, it shall furnish the members of the Committee present at the meeting with relevant materials for reference as necessary.

- Article 8 When a meeting of the Committee is held, an attendance book shall be made available for signing-in by the independent director members in attendance, and thereafter made available for reference.
- Independent director members shall attend meetings of the Committee in person; if an independent director member is unable to attend in person, the independent director member may appoint another independent director member as proxy to attend the meeting. Attendance via telecommunications is deemed as attendance in person.
- A member of the Committee that appoints another independent director member as proxy to attend a meeting of the Committee shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda.
- Resolutions at meetings of the Committee shall be adopted with the approval of one half or more of the entire membership. The result of a vote shall be made known immediately and recorded in writing.
- If for a legitimate reason it is impossible to hold a meeting of the Committee, matters on the meeting agenda shall be adopted with the consent of two thirds or more of the entire board of directors.
- Nevertheless, a written opinion indicating approval or disapproval shall be obtained from each independent director member with respect to the matters under Article 6, paragraph 1, subparagraph 10.
- The proxy under paragraph 2 may accept a proxy from one person only.
- Article 8-1 When the time of meeting is up and without 1/2 of the members present, the chairman may defer the meeting that day, but for twice only. If it still fails to meet the quorum, the chairman may re-convene according to Article Item 2.
- Article 8-2 The committee has to proceed with the designated agenda, but it may be changed with the approval of 1/2 of the members.
- Without the consent of 1/2 of the members, the chairman cannot announce dismissal.
- When in meeting the quorum is the met, the chairman may decide to stop the meeting for the moment upon the recommendation of independent directors. The previous article applies.
- When in meeting and the convener cannot preside the meeting or the meeting is not dismissed based on Item 2, an acting person may chosen based on Article 7 Item 5.

Article 9 Discussions at a meeting of the Committee shall be included in the meeting minutes, which shall faithfully record the following:

1. The session, time, and place of the meeting.
2. The name of the meeting chair.
3. Attendance by the independent director members, including the names and the number of members present, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: For each proposal, the method of resolution and the result; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; name of the independent director who is an interested party as referred to in paragraph 1 of Article 11, explanation of the material aspects of the interest the director has, the reason why the director should or should not recuse himself or herself and whether or not the director has recused; and any objections or reservations expressed.
8. Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the independent director members of the Committee and experts and other persons present at the meeting; name of the independent director who is an interested party as referred to in paragraph 1 of Article 11, explanation of the material aspects of the interest the director has, the reason why the director should or should not recuse himself or herself and whether or not the director has recused; and any objections or reservations expressed.
9. Other matters required to be recorded.

The attendance book constitutes part of the minutes for each meeting of the Committee and shall be appropriately preserved during the existence of this Corporation.

The minutes of a Committee meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of this Corporation.

The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 10 The Committee's meeting agenda shall be drafted by the convener. Other members may also put forward proposals for discussion by the Committee.

Article 11 An independent director member of the Committee shall explain the material aspects of the interest he or she has when he or she is an interested party with respect to a given agenda item. When such a relationship is likely to prejudice the interests of this Corporation, the director shall not attend the discussion and voting and shall recuse himself or herself therefrom. Also, they shall not exercise the voting right for and on behalf of another independent director member. Where the spouse or a blood relative within the second degree of kinship of an independent director is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item. Where a matter is unable to be resolved at a committee meeting for the reason stated in paragraph 1, the fact shall be reported to the board of directors and the matter shall be resolved by the board instead.

Article 11-1 Any and all meetings of the Committee shall be audio-recorded or videotaped from beginning to adjournment of the meeting as evidence and the files shall be kept for at least five (5) years. The files may be stored in the electronic form.

If any litigation relating to a resolution of the meeting of the Committee commences before the expiry of the period in which the evidence shall be kept in accordance with the preceding paragraph, the relevant data of audio-recorded or videotaped evidence shall continually be kept until the conclusion of the litigation.

For a meeting of the Committee convened via videoconferencing, the audio-recorded and videotaped data shall be part of the minutes of the meeting and shall be properly kept during the existence of the Corporation.

Article 12 The Committee may resolve to retain the service of an attorney, certified public accountant, or other professionals to provide advice with respect to matters in connection with Article 6. The costs of their services shall

be borne by this Corporation.

- Article 13      The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in this Charter; they shall be accountable to the board of directors and shall submit their proposals to be resolved by the board.
- Article 14      The Committee shall conduct periodic reviews of matters relating to this Charter and present the results for amendment by the board of directors. The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.
- Article 15      This Charter, and any amendments hereto, shall come into in force after adoption by a resolution of the board of directors.