

Chlitina Holding Limited

Procedures for Handling Material Inside Information

Chapter I General Principles

Article 1

These Procedures are specially adopted to establish sound mechanisms for the handling and disclosure of material inside information by the Company, in order to prevent improper information disclosures and to ensure the consistency and accuracy of information released by the Company to the public.

Article 2

The Company shall implement its handling and disclosure of material inside information in accordance with applicable laws and regulations, the rules and regulations of the Taiwan Stock Exchange Corporation or the GreTai Securities Market, and these Procedures.

Article 3

These Procedures shall apply to all directors, supervisors, managerial officers, and employees of the Company.

The Company shall ensure that any other person who acquires knowledge of the Company's material inside information due to their position, profession, or relationship of control shall comply with the applicable provisions of these Procedures.

Article 4

For the purposes of these Procedures, the term "material inside information" refers to information that, with reference to the Securities and Exchange Act, other applicable laws and regulations, and the applicable rules and regulations of the Taiwan Stock Exchange Corporation or the GreTai Securities Market, is defined as material inside information by the responsible unit in charge of handling of such information.

Article 5

The Company's dedicated unit for handling major internal information is the Finance and Accounting Department. The unit shall have the following functions and authorities:

1. Responsibility for formulating the drafts of these Procedures and any amendments to them.

2. Responsibility for receiving inquiries in connection with the methods of handling material inside information, and for consultation, review, and recommendations relating to these Procedures.
3. Responsibility for receiving reports on unauthorized disclosures of material inside information and formulation of corresponding measures.
4. Responsibility for designing a system for preserving all documents, files, electronic records, and other materials related to these Procedures.
5. Other activities related to these Procedures.

Chapter II Procedures for Maintaining Confidentiality of Material Inside Information

Article 6

The Company's directors, managerial officers, and employees shall exercise the due care and fiduciary duty of a good administrator and act in good faith when performing their duties, and shall sign confidentiality agreements.

No director, supervisor, managerial officer, or employee with knowledge of material inside information of the Company may divulge the information to others.

No director, managerial officer, or employee of the Company may inquire about or collect any non-public material inside information of the Company not related to their individual duties from a person with knowledge of such information, nor may they disclose to others any non-public material inside information of which they become aware for reasons other than the performance of their duties.

Article 7

Proper protection of confidentiality shall be given to files and documents containing the Company's material inside information when transmitted in written form. When transmitted by e-mail or other electronic means, such files and documents must be processed with appropriate security technology such as encryption or electronic signatures.

Files and documents containing the Company's material inside information shall be backed up and stored in a secure location.

Article 8

The Company shall ensure that the firewalls specified in the preceding two articles are established, and take the following additional steps:

1. Adopt adequate control measures for the firewalls and perform periodic testing.
2. Enhance measures for custody and maintaining the secrecy of files and documents containing non-public material inside information.

Article 9

Any organization or person outside of the Company that is involved in any corporate action of the Company relating to a merger or acquisition, major memorandum of understanding, strategic alliance, other business partnership plans, or the signing of a major contract shall be required to sign a confidentiality agreement, and may not disclose to another party any material inside information of the Company's thus acquired.

Chapter III Procedures for Handling the Disclosure of Material Inside Information

Article 10

The Company shall comply with the following principles when making external disclosures of material inside information:

1. The information disclosed shall be accurate, complete, and timely.
2. There shall be a well-founded basis for the information disclosure.
3. The information shall be disclosed fairly.

The company's workflow for disclosing major internal information is shown in Appendix 1.

Article 10-1

Any major decisions or significant events determined by the company that meet the Taiwan Stock Exchange's regulations for the verification and public disclosure of material information for listed securities companies, or, after further evaluation of their significance, any decisions or events that have a material impact on the company's finances, operations, shareholder interests, or securities prices should be promptly disclosed as material information within the legally prescribed timeframe, in accordance with the aforementioned regulations.

Article 11

Any disclosure of the Company's material inside information, except as otherwise provided by law or regulation, shall be made by the Company's spokesperson, or by a deputy spokesperson acting in such capacity in a confirmed sequential order. When necessary, the disclosure may be made directly by the person responsible for the Company.

The Company's spokesperson or deputy spokesperson shall communicate to outside parties only information within the scope authorized by the Company, and no personnel other than those serving as the Company's responsible person, spokesperson, or deputy spokesperson may disclose any material inside information of the Company to outside parties without authorization.

Article 12

The Company shall keep records of the following in respect of any disclosure of information to outside parties:

1. The person who discloses the information, the date, and the time.
2. How the information is disclosed.
3. What information is disclosed.
4. What written material is delivered.
5. Any other relevant details.

These records and related information can be submitted and archived electronically or in writing, and should be kept for at least five years.

Article 13

If a media agency releases information that is in any respect inconsistent with material information disclosed by the Company, the Company shall promptly issue a clarification on the Market Observation Post System (MOPS) and request the media agency to correct the information.

Chapter IV Handling of Unusual Events

Article 14

Any director, supervisor, managerial officer, or employee of the Company that becomes aware of any unauthorized disclosure of the Company's material inside information shall report to the responsible unit and the internal audit department of the Company as soon as practicable.

Upon receipt of a report made pursuant to the preceding paragraph, the responsible unit shall formulate corresponding measures. When necessary, it may invite members from the internal audit and other departments to meet for discussion of the measures, and shall keep a record of the results of the measures for future reference. The internal auditors shall also perform such audits as their duties may require.

Article 15

The Company shall take measures to discover those responsible and take appropriate legal action against any personnel under either of the following circumstances:

1. Personnel of the Company disclose material inside information without authorization to any outside party, or otherwise violate these Procedures or any other applicable law or regulation.

2. A spokesperson or deputy spokesperson of the Company communicates to any outside party any information beyond the scope authorized by the Company, or otherwise violates these Procedures or any other applicable law or regulation.

If any person outside the Company divulges any material inside information of the Company, thereby causing damage to any property or interest of the Company, the Company shall pursue appropriate measures to hold the person divulging the information legally liable.

Chapter V Internal Controls and Awareness Campaigns

Article 16

These Procedures shall be incorporated into the Company's internal control system. The internal auditors shall keep themselves regularly informed of the status of compliance with these Procedures and shall prepare related audit reports, so as to ensure full implementation of the procedures for handling material inside information.

Article 17

At least once per year, the Company shall conduct educational campaigns to promote awareness among all directors, supervisors, managerial officers, and employees with respect to these Procedures and related laws and regulations.

The Company shall also provide education to new directors, supervisors, managerial officers, and employees in a timely manner.

Chapter VI Supplementary Provisions

Article 18

These Procedures, and any amendments to them, shall be implemented upon approval by the Board of Directors.

Chapter VII Amendment records

Version	Amendment description	Date
1	New document	2013.03.29
2	Revised based on Taiwan Stock Exchange Sept. 20, 2022 Letter No. 1111804712	2022.12.22

Appendix 1

Operational Flow Chart for Major Information Disclosure

