

Tong Hsing Electronic Industries, Inc.

Standard for Material Information and Prohibiting Insider Trading

Article 1 Tong Hsing Electronic Industries, Inc. (hereinafter referred to as the “Company”), in order to establish a robust mechanism for handling and disclosing material information, to ensure the consistency and accuracy of information disclosed externally, to comply with the "Regulations Governing Establishment of Internal Control Systems by Public Companies," to prevent insider trading and to ensure compliance, has formulated this "Standard for Material Information and Prohibiting Insider Trading" (hereinafter referred to as the "Standard").

Article 2: The Company shall comply with relevant laws, regulations, and this Standard in its internal handling and disclosure of material information.

The occurrence of insider trading does not require actual profit. According to Article 157-1 of the Securities and Exchange Act, the elements constituting insider trading include:

1. Applicable parties: Those specified in Paragraph 1 of Article 157-1 of the Securities and Exchange Act.
2. Knowledge of material information: When a person is actually knowing any information about the Company that would have a material impact on its stock price or its ability to pay principal and interest.
3. Timing: After the information is precise, and prior to the public disclosure of such information or within 18 hours after its public disclosure.
4. Trading Scope: Buying or selling any listed stock, other equity securities of the Company, or any non-equity corporate bonds of the Company that are listed on the stock exchange or traded over-the-counter.

Article 3: The insider trading norms are subject to the following types of personnel:

1. Directors and managers of the Company, and individuals designated to perform duties under Paragraph 1 of Article 27 of the Company Act.
2. A shareholder holding more than 10% of the shares of the Company.
3. Anyone who has learned the information based on occupation or a control relationship
4. Anyone who has lost status under any of the preceding three subparagraphs for a period of less than six months.
5. Anyone who has learned the information from any of the persons in the preceding four subparagraphs.

Article 4: The term " listed stock, other equity securities of the Company" referred to in Subsection 4, Paragraph 1, Article 2 of this Standard refers to:

1. Stocks: Refers to the listed stocks and other equity-related securities of the Company.

2. Other equity securities: Includes convertible corporate bonds, corporate bonds with warrants, stock warrants, subscription (or sale) warrants, certificates of payment for shares, new share subscription rights certificates, certificates of entitlement to new shares, bond conversion entitlement certificates, and other securities with equity characteristics.

Article 5: The scope of material information referred to in Subsection 2, Paragraph 1, Article 2 of this Standard is subject to the Securities and Exchange Act, Article 4 of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities, and related laws and regulations.

Article 6: The timing for the establishment of material information referred to in Subsection 3, Paragraph 1, Article 2 of this Standard shall be determined based on the earliest date among the following: the date of fact occurrence, agreement date, signing date, payment date, entrustment date, transaction date, transfer date, Audit Committee or Board of Directors resolution date, or other dates that can be clearly determined based on specific facts and evidence.

Article 7: Confidentiality and Prohibition of Trading Before Public Disclosure of Material Information

1. Confidentiality Measures Before Public Disclosure of Material Information

- (1) If the Company engages in discussions or enters into agreements relating to mergers, significant memorandum of understanding, strategic alliances, other business cooperation plans, or significant contracts that constitute material information under this Standard, all employees and participants of the Company, the counterparty, and their respective participants shall sign confidentiality agreements. They must agree not to disclose any non-public material information about the Company to others.
- (2) Directors, managers, and employees of the Company shall perform their duties with the care of a good steward and adhere to principles of honesty and good faith. They shall not disclose to others any non-public material information which they become aware of.
- (3) Electronic files and physical documents containing non-public material information shall be classified in accordance with confidentiality levels and be protected by appropriate storage and security measures.

2. Prohibition of Trading Before Public Disclosure of Material Information

Anyone who becomes aware of material information under Article 3 of this Standard is prohibited from buying or selling the Company's listed stocks or other equity securities of the Company before such information is publicly disclosed or within eighteen hours of such disclosure. In addition, trading is prohibited during the blackout periods: thirty days prior to the publication of annual financial reports and fifteen days prior to the publication

of quarterly financial reports.

Article 8: Content, Timing, Method, and Personnel for Public Disclosure of Material Information

1. Timing and Method of Public Disclosure

The timing and method of public disclosure of material information is subject to the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities as well as , and related laws and regulations.

2. Personnel Responsible for Public Disclosure

Unless otherwise required by law, the disclosure of material information shall be made by the Company's spokesperson or deputy spokesperson. The order of delegation must be confirmed, and no other employee of the Company may disclose internal material information externally without authorization. However, exceptions may be made for special or temporary assignments, in which case the Company's responsible officer may handle the matter directly or designate authorized personnel to handle the matter.

3. Records of Information Disclosure

The Company shall keep the following records regarding external information disclosure:

- (1) Personnel involved in the disclosure, together with the date and time.
- (2) Method of disclosure.
- (3) Content of the information disclosed.
- (4) Written materials provided.
- (5) Other relevant information.

4. Clarification of Media Reports

If media reports contain content that is inconsistent with the information disclosed by the Company, the Company shall promptly clarify the matter on the Market Observation Post System (MOPS) and request corrections from the media.

5. Accountability for Unauthorized Disclosure

The Company shall take appropriate measures and hold responsible parties accountable in the following circumstances:

- (1) If Company's employees disclose internal material information externally without authorization or violate other legal provisions, they shall be punished in accordance with the Company Employee Reward and Punishment Guidelines, depending on the severity of the situation.
- (2) If an external individual leaks internal material information that causes damage to the Company's assets or interests, the Company shall pursue legal responsibility through appropriate channels.

Article 9: Standards for Handling Abnormal Situations

If directors, managers, or employees become aware of any leakage of internal material

information, they shall promptly report it to the relevant departments and the internal Audit Office. Upon receiving such reports, the relevant departments shall formulate countermeasures. If necessary, they may convene discussions with the internal Audit Office and other departments to resolve the matter. The results of the handling process shall be documented for future reference, and the internal Audit Office shall conduct audits in accordance with its responsibilities.

Article 10: Any matters not explicitly covered in this Standard shall be handled in accordance with relevant laws and regulations.

Article 11: Implementation

This Standard has been formulated by the Company in accordance with regulations and is effective upon approval by the Board of Directors. If any director expresses dissent, whether recorded or in a written statement, the Company shall include such dissent in the Board meeting minutes. The same Standard applies to amendments.

When this Standard is submitted to the Board for discussion, the Company shall consider the views of the independent directors and record their clear approval or disapproval, together with the reasons, in the Board of Directors meeting minutes.

This Standard was established on November 5th, 2015.

The first amendment was on March 15th, 2019.

The second amendment was on April 26th, 2022.

The third amendment was on October 29th, 2024.