

A. Operation of the Audit Committee:

The Board of Directors of the Company passed “Organizational Procedure of Audit Committee” on March 18, 2021, and set up an Audit Committee on July 26, 2021 in replacement of the supervisors after comprehensive reelection of directors. The tenure of the 1st Audit Committee starts from July 26, 2021 and ends on July 25, 2024. The convener is Cheng,Sheng-In who is an independent director, while the committee members are two independent directors, i.e., Liu,Thu-Hua,Chen,Yen-Hui and Liao,Hsiang-Ruei(Newly elected June 7, 2023).

1. The work highlights of the Audit Committee of the Company include the followings:

(1) Deliberation of internal control system

The internal control system established or amended in accordance with “Regulations Governing the Establishment of Internal Control Systems by Public Companies” shall be approved by the Audit Committee and then submitted to the Board of Directors for resolution.

(2) Audit of independence of CPAs

In order to ensure the reliability of the Company’s financial reports, the quality of internal control and the independence of CPAs, the independence of CPAs shall be audited in accordance with “Securities and Exchange Act” and “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, to avoid financial risks and improve the quality of information disclosure.

(3) Communication and discussion with CPAs regarding auditing purpose and scope of annual financial report, responsibilities of CPAs and the Company, form of the audit report, etc.

In order to enforce the internal control system according to “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, a communication mechanism has already been established between independent directors and CPAs, and the Audit Committee of the Company determined the auditing purpose and scope of annual financial report, responsibilities of CPAs and the Company, and form of the audit report ; also, the audit findings and conclusions of “Financial Statements of 2021” were communicated with the Audit Committee on March 7, 2022.The audit findings and conclusions of “Review of financial statements for the second quarter of 2022” were communicated with the Audit Committee on August 11, 2022.

(4) Additionally, the functions and powers of the Audit Committee are listed as follows according to the Company’s “Organizational Procedure of Audit Committee”:

(A) To establish or amend the internal control system in accordance with

the provisions of Article 14-1 of the Securities and Exchange Act.

- (B) To assess the effectiveness of the internal control system.
- (C) To establish or amend procedures for the acquisition or disposal of assets, engaging in derivatives trading, lending of funds to others, endorsement for others, or provision of major financial business conducts in accordance with the provisions of Article 36-1 of the Securities and Exchange Act.
- (D) To handle matters that involve the interests of directors themselves.
- (E) Trading of major assets or derivatives.
- (F) Lending, endorsement or provision of guarantee of major capital.
- (G) Fundraising, issuance or private placement of valuable securities with equity nature.
- (H) Appointment, dismissal or remuneration of CPAs.
- (I) Appointment or dismissal of financing manager, accounting manager, or internal audit officer.
- (J) Annual financial report signed or sealed by the chairman, managers and accounting manager, as well as the financial report of the second quarter audited and certified by CPAs
- (K) Other major matters stipulated by the Company or competent authorities.

2. 5 meetings (A) of the Audit Committee were convened in 2022 and as of the publication date of this prospectus in 2023, and the attendance status of independent directors is shown as follows:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remark
Convener	Cheng,Sheng-In	5	0	100%	
Member	Liu,Thu-Hua	5	0	100%	
Member	Chen,Yen-Hui	5	0	100%	
Member	Liao,Hsiang-Ruei	See Remark			Newly elected June 7, 2023.

3. Others matters to be recorded:

- (1) If any of the following circumstances exists in the operation of the Audit Committee, dates and sessions of board meetings, content of proposals, results of resolutions made by the Audit Committee, and the Company's handling of the opinions of the Audit Committee shall be explained.

- (A) Matters listed in Article 14-5 of the Securities and Exchange Act: No independent director raised an opposing or reserved opinion, or made any major suggestion.

Session and date	Content of proposal	Result of resolution made by the Audit Committee	The Company's handling of the opinions of the Audit Committee
5 th meeting of the 1 st session March 7, 2022	<ol style="list-style-type: none"> 1. Business Report and Financial Statements of 2021 2. Proposal for Profit Distribution in 2021 3. Assessment of Effectiveness of Internal Control System of the Company and Statement of Internal Control System in 2021 4. Amendment to Some Provisions of "Procedure for Acquisition and Disposal of Assets" of the Company 5. Establishment of "Regulation on Issuance and Subscription of the First Employee Stock Option Certificate in 2022" 6. Extension of Tariff Guarantee of the Company 	All attending members agreed to pass the resolution.	All attending directors agreed to pass the resolution.
6 th meeting of the 1 st session May 9, 2022	<ol style="list-style-type: none"> 1. Proposal for Evaluation of Competence and Independence of CPAs and Appointment and Remuneration of CPAs in 2022 2. Proposal for Consolidated Financial Report of the Company in Q1 of 2022 3. Proposal for Conversion of Employee Stock Option Certificates to Issue New Ordinary Shares of the Company 4. Amendment to "Regulation on Issuance and Subscription of the First Employee Stock Option Certificate in 2022" 5. Proposal for Granting of "First Employee Stock Option Certificate in 2022" of the Company 	All attending members agreed to pass the resolution.	All attending directors agreed to pass the resolution.
7 th meeting of the 1 st session August 11, 2022	<ol style="list-style-type: none"> 1. Proposal for Consolidated Financial Report of the Company in Q2 of 2022 2. Proposal for External Endorsement Guarantee of the Company 3. Proposal for Conversion of Employee Stock Option Certificates to Issue New Ordinary Shares of the Company 4. Proposal for Establishment of "Corporate Governance Best Practice Principles" of the Company 	All attending members agreed to pass the resolution.	All attending directors agreed to pass the resolution.
8 th meeting of the 1 st session November 7, 2022	<ol style="list-style-type: none"> 1. Proposal for Conversion of Employee Stock Option Certificates to Issue New Ordinary Shares of the Company 2. Proposal for Consolidated Financial Report of the Company in Q3 of 2022 3. Proposal for Amendment to Some Provisions of "Procedure for Processing of Major Internal Information" of the Company 4. Proposal for Amendment to Some Provisions of "Rules of Procedure of the Board of Directors" of the Company submitted for deliberation 5. Establishment of Audit Plan of the Company in 2022 6. Proposal of the Company for Donation to 	All attending members agreed to pass the resolution.	All attending directors agreed to pass the resolution.

Session and date	Content of proposal	Result of resolution made by the Audit Committee	The Company's handling of the opinions of the Audit Committee
	CGCH Foundation For Education		
9th meeting of the 1st session March 8, 2022	1. Business Report and Financial Statements of 2022 2. Proposal for Profit Distribution in 2022 3. Assessment of Effectiveness of Internal Control System of the Company and Statement of Internal Control System in 2022 4. Proposal for Amendment of "Corporate Governance Best Practice Principles" of the Company 5. Proposal for Amendment of "Procedures for handling requests from directors" of the Company 6. Proposal for Evaluation of Competence and Independence of CPAs and Changes in the appointment and Remuneration of CPAs in 2022	All attending members agreed to pass the resolution.	All attending directors agreed to pass the resolution.

(B) Other resolved matters not approved by the Audit Committee but approved by more than two thirds of all directors beyond the preceding matters: Not involved and not applicable.

(2) As for the execution of recusal of any independent director from any proposal where this director is a stakeholder, name of independent director, content of proposal, reason for recusal due to conflict of interest and voting status shall be explained: Not involved and not applicable.

(3) Communication of independent directors with internal audit officer and CPAs:

(A) Communication of independent directors and internal audit officer: The audit unit of the Company will submit each internal audit report to the independent directors periodically; after the establishment of the Audit Committee of the Company, the audit officer has meetings with the auditors at least once every quarter and submits relevant reports and resolutions to the Board of Directors.

Date	Theme of communication	Independent directors' suggestions, and handling and execution status
March 7, 2022	Reporting of the execution status of audit business from October 2021 to December 2021 at the Audit Committee	No independent raised any opinion after the internal audit officer explained to them.
May 9, 2022	Reporting of the execution status of audit business from January 2022 to March 2022 at the Audit Committee	No independent raised any opinion after the internal audit officer explained to them.

August 11, 2022	Reporting of the execution status of audit business from April 2022 to June 2022 at the Audit Committee	No independent raised any opinion after the internal audit officer explained to them.
November 7, 2022	Reporting of the execution status of audit business from July 2022 to September 2022 at the Audit Committee	No independent raised any opinion after the internal audit officer explained to them.
March 8, 2023	Reporting of the execution status of audit business from October 2022 to December 2022 at the Audit Committee	No independent raised any opinion after the internal audit officer explained to them.

(B) Communication of independent directors with CPAs: The independent directors of the Company have maintained good communication with CPAs. At ordinary times, the independent directors and the CPAs may contact each other at any time by phone or meeting. CPAs also report the auditing or reviewing status of financial reports to the independent directors. The communication status of 2022 is summarized as follows:

Date	Theme of communication	Independent directors' suggestions, and handling and execution status
March 7, 2022 (by written report)	Audit findings and conclusions of "Financial Statements of 2021"	No independent director raised any opinion.
August 11, 2022 (by written report)	Instructions to the review of the financial statements in Q2 of 2022	No independent director raised any opinion.
March 8, 2023 (by written report)	Audit findings and conclusions of "Financial Statements of 2022"	No independent director raised any opinion.

