

Procedure for the Acquisition or Disposal of Assets

Princeton Technology Corp.

Article 1: Objectives and Legal Basis

This Procedure has been drawn up in order to strengthen the Company's asset management and increase transparency, in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies issued by Financial Supervisory Commission (hereinafter referred to as the "FSC").

Article 2: For the purposes of this Procedure, the term "assets" includes the following:

1. Stocks, government bonds, corporate bonds, financial debentures, domestic beneficiary certificates, overseas mutual funds, depository receipts, warrants, beneficiary securities, asset-backed securities and other long-term and short-term investment vehicles.
2. Real property (including land, houses and buildings, investment property, and rights to use land) and equipment.
3. Membership certificates.
4. Patents, copyrights, trademarks, permits and other intangible assets.
5. Debts owed by financial institutions (including receivables, bills purchased and discounted, and loans outstanding).
6. Derivatives.
7. Assets obtained through lawful mergers, spin-offs, acquisitions or transfer of equity.
8. Other important assets.

Article 3: Appraisal Procedures

1. When deciding whether to acquire or dispose of marketable securities that are not tradable on the stock exchange or through a securities broker, factors to be considered include the net value per share, earning ability, future growth potential, current market interest rates, bond coupon rates, the credit-worthiness of the borrower, and the current transaction price.
2. When deciding whether to acquire or dispose of marketable securities that are tradable on the stock exchange or through a securities broker, the decision should be made on the basis of the current equity or bond price.
3. When acquiring or disposing of assets other than the types of asset referred to in (1) and (2) above, the acquisition or disposal may be performed through price inquiry, price comparison, price negotiation or open tender. Factors to be considered include the publicly announced reference price, the appraised value, the actual transaction prices of neighboring property (in the case of real estate property), etc. In the case of asset where, in accordance with the provisions of this Procedure, the acquisition or disposition of the assets requires public announcement or reporting, an appraisal report should be obtained from a specialist appraisal firm.

Article 4: Procedures for the Acquisition or Disposal of Assets

1. When planning to acquire or dispose of assets, the department in question should submit an appraisal report (including the reasons for the acquisition or disposal, the assets to be acquired or disposed of, the parties to the transaction, the transfer price, the terms of payment, reference prices, etc.) to the department responsible for

making the decision. Acquisition or disposal of the assets in question will then be implemented by the Administration Department in accordance with the provisions of the Company's internal controls system and this Procedure.

2. The Finance Department shall be responsible for implementing long- and short-term investment in marketable securities. In the case of real estate property and other fixed assets, the department responsible for implementing the acquisition or disposal shall be the department that has been or will be using the assets, along with any other relevant departments. In the case of real estate property and equipment, the department responsible for implementing the acquisition or disposal shall be the department that has been or will be using the assets, along with any other relevant departments. In the case of assets other than marketable securities, real estate property or equipment, acquisition or disposal may not be undertaken until appraisal has been performed by the implementing department and other relevant departments.

Article 5: Authorization

The authority to approve purchase or sale relating to short- or long-term investment in marketable securities shall be determined according to the provisions of the Rules Governing Investment Operations. The authority to approve the purchase or sale of other types of assets shall be determined in accordance with the Table Showing Scope of Authority.

Article 6: Limits on Investment

The Company may purchase real estate and right to use assets and marketable securities that will not be used for operational purposes. Total investment in such assets may not exceed 80% of the Company's total assets. Investment in marketable securities may not exceed 80% of the Company's total assets, and the total value of investment in any individual stock in which the Company has invested may not exceed 20% of the Company's total assets.

Article 7: When acquiring or disposing of marketable securities, the Company shall, prior to the date of occurrence of the event, obtain a copy of the target company's financial statements (audited or reviewed by a certified public accountant) to serve as a reference for price appraisal. Where either of the following apply, and the transaction value exceeds 20% of the Company's total assets or NT\$300 million (whichever is lower), a certified public accountant shall, prior to the date of occurrence of the event, provide their opinion as to whether the transaction price is acceptable. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF).

1. When acquiring or disposing of marketable securities that are not tradable on the stock exchange or through a securities broker.
2. When acquiring or disposing of privately placed securities.

Article 8: When acquiring or disposing of real estate property or other fixed assets (not including transactions with government institutions, contracted construction on land owned by the Company, contracted construction on land rented by the Company, and the acquisition or disposal of machinery and equipment used for operational purposes), if the transaction value exceeds 20% of the Company's paid-in capital or NT\$300 million (whichever is lower), an appraisal report shall, prior to the date of occurrence of the event, be obtained from a specialist appraisal firm, and the following requirements must be met.

If the real estate, equipment or right to use assets is obtained or disposed of, except for

transactions with domestic government agencies, construction of local land, construction of land leases, or acquisition or disposal of equipment for business use or right to use assets, ..., and meet the following requirements

1. For special reasons, when the price is limited, the specific price or the special price is used as the reference basis for the transaction price, the transaction shall be approved by the board of directors first and so the change in the transaction conditions.
2. If the transaction value is NT\$1 billion or higher, appraisal reports should be obtained from at least two specialist appraisal firms.
3. If either of the following applies to the appraisal report obtained from the specialist appraisal firm, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, an accountant should be asked to handle the matter in accordance with the provisions of Statement of Financial and Accounting Standards No. 20 issued by the Accounting Research and Development Foundation, and to give an opinion regarding the reasons for the disparity and the acceptability of the transaction price:
 - A. If the disparity between the appraisal result and the actual transaction price is 20% or higher.
 - B. If the disparity between the appraisal reports obtained from two or more appraisal firms and the actual transaction price is 20% or higher.
4. The contract date may not be more than three months later than the date on which the appraisal report was issued by the professional appraiser. If, however, the same publicly announced land value continues to apply, then the original appraisal firm may submit an opinion, provided that not more than six months have elapsed.

Article 9: The company obtains or disposes of the intangible assets, right to use assets or membership card transaction amount up to 20% of the company's paid-in capital or NT\$300 million, except for transactions with domestic government agencies, should be asked to give their opinion as to whether the transaction price is acceptable. The accountant should handle the matter in accordance with the provisions of Statement of Financial and Accounting Standards No. 20 issued by the Accounting Research and Development Foundation.

Article 9-1: The calculation of the transaction amounts referred to in the preceding three articles shall be done in accordance with Article 22, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.

Article 10: When acquiring or disposing of assets through repossession, the documentary evidences issued by the court may be used in place of an appraisal report or accountant's opinion.

Article 11: When a public company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section.
The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 9-1 herein. When determining whether the other party in a transaction should be classed as an affiliate, the real nature of the relationship

should be considered in addition to the legal status of the relationship.

Article 12: The company's valuation report or the opinion of an accountant, lawyer or securities underwriter, the professional valuer and its appraisers, accountants, lawyers or securities underwriters shall meet the following requirements:

1. No violation of this Law, company law, banking law, insurance law, financial holding company law, commercial accounting law, or fraud, breach of trust, encroachment, forgery of documents or business crimes, subject to more than one year imprisonment determine. However, if the execution is completed, the probation period expires or the pardon has been completed for three years, this is not the limit.
2. The situation in which the party to the transaction may not be a related person or a person with a substantive relationship.
3. If the company should obtain the valuation report of two or more professional valuers, different professional valuers or appraisers may not be related to each other or have substantive relationships.

When issuing the valuation report or opinion, the personnel of the preceding paragraph shall handle the following matters:

1. Before undertaking a case, you should carefully assess your professional ability, practical experience and independence.
2. When checking the case, the appropriate operational procedures should be properly planned and implemented to form a conclusion and a report or opinion should be issued accordingly; and the procedures, data collected and conclusions will be published in the working paper of the case.
3. The source, parameters and information of the materials used shall be evaluated item by item for completeness, correctness and reasonableness as the basis for the issuance of valuation reports or opinions.
4. The matters of declaration shall include the professionalism and independence of the relevant personnel, the information used for evaluation shall be reasonable and correct, and the relevant laws and regulations shall be followed.

Article 13: The Company obtains or disposes of the real property or right to use assets from the related party, or acquires or disposes of other assets other than the real property or right to use assets with the related party and the transaction amount reaches 20% of the company's paid-in capital, 10% of the total assets or above NT\$300 million. In addition to buying and selling domestic government bond,

1. The purpose for which the assets is being acquired or disposed, the necessity of the transaction, and the anticipated benefits.
2. The reason for undertaking the transaction with an affiliate.
3. Obtaining real estate or right to use assets from related parties and assessing the reasonableness of the predetermined trading conditions according to regulations.
4. Details of the date on which the affiliate originally acquired the assets, the price paid, the other party or parties to the transaction, and the relationship between the other

party or parties and the affiliate or the Company.

5. A table showing monthly expenditure and receipts forecasts for a period of one year after the month in which the acquisition agreement is expected to be signed, along with an appraisal of the necessity for the transaction and its acceptability in terms of cash utilization.
6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
7. Any restrictive clauses applying to the transaction, and any other important matters relating to the transaction agreement

The company and the parent and subsidiary companies, or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital engage in the following transactions with each other (1) Obtain or dispose of the equipment for business use Or its right to use assets, (2) acquire or dispose of real estate use rights assets for business use. The board of directors may authorize the chairman to make a decision within a certain amount and then report to the board of directors for the most recent period.

The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 22, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the supervisors need not be counted toward the transaction amount.

With respect to the acquisition or disposal of business-use equipment between a public company and its parent or subsidiaries, the company's board of directors may delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting.

Article 14: The Company obtain the real estate or its right to use assets from related parties and shall assess the reasonableness of the transaction costs in the following manner, and shall contact the accountant for review and express specific opinions.

1. Calculate the necessary capital interest and the cost that the buyer should bear according to the transaction price of the related person. The so-called necessary capital interest cost is calculated based on the weighted average interest rate of the borrowings of the company's assets purchased in the year, but it shall not be higher than the non-financial industry maximum borrowing rate announced by the Ministry of Finance.
2. If the related person has set the mortgage borrower to the financial institution with the subject matter, the financial institution shall estimate the total value of the loan of the subject matter, but the cumulative value of the actual loan lending by the financial institution to the subject matter shall reach the total evaluation of the loan. More than 70% of the value and the loan period have been more than one year. However, financial institutions and one party to the transaction are related to each other are not applicable.

If the land and houses of the same target are purchased or leased together, the

transaction costs shall be assessed for each of the land and houses in accordance with any of the methods listed in the preceding paragraph. In any of the following circumstances, it shall be handled in accordance with the provisions of the preceding article. The first three provisions shall not apply:

1. The related party obtains real estate or right to use assets due to inheritance or gift.
2. The time for the related parties to contract to obtain real estate or right to use assets has been more than five years from the date of the transaction.
3. The Company and its parent, subsidiary, or subsidiaries that directly or indirectly hold 100% of the issued shares or total capital, acquire the right to use real estate assets for business use.

Article 15: The company obtains real estate or right to use assets from related parties. If the evaluation result is lower than the transaction price in accordance with the regulations, the following matters shall be handled:

1. The difference between the transaction price of the real estate or right to use assets and the cost of the assessment.....
2. The independent board members of the Audit Committee shall be handled in accordance with Article 218 of the Company Law.
3. The first two treatment situations should be reported to the shareholders meeting. The Company shall provide a special surplus reserve in accordance with the provisions of the preceding paragraph. Assets that should be purchased or rent at a high price have been recognized as a loss, punishment, terminate the lease, or properly compensated or reinstated.

Where the Company has established a special reserve in accordance with the provisions of the preceding paragraph, this special reserve may not be used until assets purchased at a high price have been recorded as having experienced a loss due to fall in market value, been disposed of, compensated for, or restored to original condition, or else there is some other evidence to confirm that it is appropriate to use the special reserve. The approval of the competent authority for securities is also required before using a special reserve of this type.

If, where the Company obtains real estate property from an affiliate, there is any other evidence indicating that the transaction does not conform to normal business practice, then the matter should be handled in accordance with the provisions of the previous two paragraphs.

Article 16: If the Company engages in the trading of financial derivatives, this should be undertaken in accordance with the Company's Procedures for Handling Financial Derivatives Transactions. Special attention should be paid to risk management and auditing, and care must be taken to ensure that the internal controls system is functioning properly.

Article 17: If the Company undertakes a merger, spin-off, acquisition or equity transfer, before the decision to undertake it is made by the board of directors, an accountant, attorney or securities broker should be asked to give an opinion regarding the acceptability of the equity ratios, purchase price, and any distribution of cash or other property to shareholders. This opinion should be submitted to the board of directors for discussion

and approval. Consolidated by the Company directly or indirectly holds 100% of the issued shares or the total amount of capital of the subsidiary, or the company directly or indirectly holds 100% of the issued shares or the total amount of capital between the subsidiaries of the merger, the Company can not obtain the expert issued a reasonable opinion.

Prior to the holding of the shareholders meeting, the main contents of the merger, spin-off or acquisition agreement and any related matters should be compiled in a document to be presented to shareholders, along with the expert opinion referred to in the previous paragraph and the notification of the convening of the shareholders meeting, so that shareholders can refer to these documents when deciding whether or not to approve the merger, spin-off or acquisition.

The following requirements do not apply in the case of mergers, spin-offs or acquisitions where there is no legal requirement for the plan to be approved by the shareholders meeting.

In the event that, because the number of shareholders or votes attending is insufficient, or for some other legal reason, any of the companies involved in a merger, spin-off or acquisition is unable to hold a shareholders meeting, or the shareholders meeting is unable to reach a decision, or the proposal is rejected by the shareholders meeting, then the companies involved in the merger, spin-off or acquisition should immediately issue a public statement explaining the reason for this situation, how the matter will be dealt with, and when the next shareholders meeting will be held.

Article 18: All persons who participate in or know the company's merger, division, acquisition or share transfer plan shall submit a written confidentiality pledge, and the contents of the plan shall not be disclosed to the public before the information is disclosed, nor shall it be disclosed. Shares of all companies related to mergers, divisions, acquisitions or share transfer cases and other securities of an equity nature may be purchased or sold on their own or in the name of others.

Article 19: If the Company undertakes a merger, spin-off, acquisition or equity transfer, no alteration may be made to the equity ratios or purchase price unless any of the following apply and the merger, spin-off, acquisition or equity transfer agreement contains a provision allowing such alteration.

1. Where the Company implements a cash capital increment, issues convertible bonds, implements a free share issue, issues warrant bonds, issues preferred shares with warrants, issues stock warrants, or issues other equity-type marketable securities.
2. Where the Company disposes of a major asset that could have a significant impact on the Company's financial operations.
3. Where a major disaster or major technological upheaval occurs that could affect the rights of the Company's shareholders or affect the Company's share price.
4. Where any of the companies involved in a merger, spin-off, acquisition or equity transfer undertakes the legal repurchase of treasury stock.
5. Where there is any increase, decrease or change in the entities or number of enterprises participating in a merger, spin-off, acquisition or equity transfer.
6. Where the agreement in question contains a clause permitting alteration, and where this has already been disclosed.

Article 20: If the Company undertakes a merger, spin-off, acquisition or equity transfer, the agreement should clearly specify the rights and obligations of each party, and should clearly state the following:

1. How any breach of contract will be dealt with.

2. The principles for handling already issued equity-type securities issued by a company that will cease to exist as the result of a merger or which is being split up, and treasury stock that has been repurchased by such a company.
3. The principles for handling the situation where one of the companies involved in a merger, spin-off, acquisition or equity transfer is allowed by law to repurchase treasury stock after the date on which the transfer of equity takes place, and the amount of treasury stock that may be repurchased.
4. The method for handling any increase, decrease or change in the entities or number of enterprises participating in a merger, spin-off, acquisition or equity transfer.
5. The anticipated implementation schedule for the merger, spin-off, acquisition or equity transfer, including the anticipated date of completion.
6. The anticipated date for convening of a shareholders meeting as required by law in the event that the plan is not completed on schedule, along with details of the other relevant procedures for handling such an eventuality.

Article 21: If, after the plans for a merger, spin-off, acquisition or equity transfer have been made public, one of the companies concerned wishes to undertake a merger, spin-off, acquisition or equity transfer with a company not included in the original plan, then unless the number of companies involved in the merger, spin-off, acquisition or equity transfer will fall as a result, and unless the shareholders meeting has already authorized the board of directors to make such an alteration without the need for a shareholders meeting to be convened to re-approve the altered plan, then all of the companies participating in the merger, spin-off, acquisition or equity transfer must perform all of the procedures and legal actions required by the original merger, spin-off, acquisition or equity transfer plan once again.

Article 22: Announce and report

When the Company acquires or disposes of assets, any of the following apply, then announcement and reporting of the acquisition or disposal should be made on the website designated by the competent authority for securities, and using the required format, within two days commencing immediately from the date on which the acquisition or disposal took effect:

1. Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to bonds with purchase or buy back the domestic securities investment trust issued by the money market fund.
2. Where the Company undertakes a merger, spin-off, acquisition or equity transfer.
3. Where the losses sustained by the Company in a derivatives transaction or transactions reach or exceed the upper limit specified by the Procedures for Handling Financial Derivatives Transactions for either a single transaction or all transactions combined.
4. Where an asset transaction or debt disposal by a financial institution or an investment in the mainland China other than the three categories listed above involves a transaction amount in excess of 20% of the Company's paid-in capital or NT\$300 million (whichever is lower), except where any of the following apply:
 - A. The purchase or sale of government bonds.

- B. For the purpose of investing as a professional, buying and selling securities at the securities office or securities business premises at home or abroad, or by subscribing to the general corporate bonds and general financial bonds not involved in the equity interest in the domestic primary market, or by the securities firm for the underwriting business need, as a cabinet company counseling recommended securities firms by the consortium of the Republic of China Securities counter trading center to subscribe for the securities.
- C. The bond with the repurchase and resale condition, purchase or buy back the domestic securities investment trust issued by the money market fund.
- D. Where the assets being acquired or disposed of constitute equipment for operational use, the other party in the transaction is not an affiliate, and the transaction value is less than NT\$500 million.
- E. Where the assets being acquired or disposed of constitute machinery or equipment for operational use, the other party in the transaction is not an affiliate, and the transaction value is more than NT\$500 million.
- F. Where real estate property is obtained through projects involving contracted construction on the Company's own land, engaging others to build on rented land, cooperative building where the units constructed are then split between the parties concerned, cooperative building where each party receives a share of the profits, or cooperative building where each party separately sells a portion of the units, and where it is estimated that the amount spent by the Company will not exceed NT\$500 million.

For the above purposes, transaction value shall be calculated as follows:

- A. According to the value of each individual transaction.
- B. The cumulative transaction value for all acquisition or disposal of the same category of assets involving the same counter-party over a period of one year.
- C. The cumulative transaction value for acquisition or disposal of assets relating to the same development project over a period of one year (with cumulative totals for acquisition and disposal being calculated separately).
- D. The cumulative transaction value for purchase and sale of the same marketable security over a period of one year (with cumulative totals for purchase and sale being calculated separately).

The "period of one year" referred to above shall be the period of one year ending on the date on which the present transaction took effect. Transactions that have already been publicly disclosed in accordance with the provisions of this Procedure need not be included in the calculations.

The Company shall, on or before the 10th day of each month, upload the details of its own derivatives transactions and those of its subsidiaries (excluding domestic public companies) during the period up until the end of the previous month onto the website designated by the competent authority for securities using the required format.

If any of the items that the Company is required to disclose contain errors or omissions, a new disclosure should be made of all of the items in question.

Where the Company obtains or disposes of assets, the relevant contracts, minutes, record books, appraisal reports, and accountant's, attorney's or securities broker's opinions should be retained by the Company for a period of at least five years, except

where otherwise required by law.

Article 23: Deadlines for Disclosure and Reporting

If any of the following apply to a transaction that the Company has disclosed or reported in accordance with the provisions of the preceding article, the relevant information should be disclosed on the website specified by the competent authority for securities within two days commencing immediately from the date of occurrence of the event:

1. Where the original contract has been modified, terminated or voided.
2. Where a merger, spin-off, acquisition or equity transfer is not completed by the scheduled date.
3. Change to the originally publicly announced and reported information.

Article 24: Rules Governing the Acquisition or Disposal of Assets by Subsidiaries

1. Where one of the Company's subsidiaries acquires or disposes of assets, unless the subsidiary in question is a specialist investment firm, the parent company's regulations governing the acquisition and disposal of assets should be adhered to.
2. If the subsidiary is not a domestic public company, then if the amount of assets being acquired or disposed of is such as to require disclosure (according to the provisions of Article 22 above), then this disclosure should be handled by the parent company.
3. When determining whether the acquisition or disposal of assets by a subsidiary should be disclosed, the determination of whether the assets in question amount to 20% of the company's paid-in capital or 10 percent of the total assets should be based on the parent company's paid-in capital or total assets.

The term "subsidiary" is used to refer to companies in which the Company directly holds a share of more than 50% of the voting stock, or in which the Company indirectly holds a share of more than 50% of the voting stock through its subsidiaries, or in which the Company's direct holdings and its indirect holdings through subsidiaries together amount to more than 50% of the voting stock.

Article 25 Penalties

If any of the Company's managers or other personnel violate any of the provisions of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" issued by the competent authority for securities or violate any of the provisions of this Procedure, then depending on the severity of the violation the case may be reported to the board of directors.

Article 26 Disclosure in the Company's Financial Statements

If the Company acquires or disposes of assets where the amount of assets being acquired or disposed of is such as to require disclosure (according to the provisions of Article 22 above), and if the other party in the transaction is an entity with which the Company has a material relationship, then any items requiring disclosure should be disclosed in the Company's financial statements in the form of a note, and should also be reported to the shareholders meeting.

Article 27: Implementation and Revision

The procedure shall be approved by Audit Committee, the Board of Directors, and the Shareholders' Meeting; as shall any revisions hereto.

If any director raises an objection to any aspect of this Procedure, and if there is any written or other record of this objection, then the Company should submit this dissenting opinion to Auditing Committee and the Shareholders' Meeting for discussion, as shall any revisions hereto. When discussing this Procedure, the board of directors

should give full weight to the views of all non-executive directors; whether each director approves or disapproves, and their reasons for disapproving if they do disapprove, should be recorded in the minutes of the board meeting.

Article 28: This Procedure was drawn up on June 6, 2003 in accordance with the ordinances set forth by Securities and Futures Commission on December 10, 2002 and underwent the

First amendment on June 1, 2004;

Second amendment on June 13, 2007;

Third amendment on June 13, 2008;

Forth amendment on June 18, 2012;

Fifth amendment on June 11, 2014; and

Sixth amendment on June 14, 2017.

Seventh amendment on June 18, 2019.