

SHIEH YIH MACHINERY INDUSTRY CO., LTD.

Management Procedure for Insider Trading Prevention

Article 1: Purpose:

This Operating Procedure is established to prevent insider trading, protect investors, and safeguard the rights and interests of the Company. The goal is to prevent the Company or its internal staff from accidentally or deliberately breaking the relevant insider trading regulations due to unfamiliarity and causing the Company or its internal staff to suffer reputation damage and be involved in litigations.

Article 2: Scope:

The provisions of this Operating Procedure shall govern the Company's insider trading and prevention management operations. If other laws stipulate otherwise, said laws shall prevail.

Article 3: Definition:

I. Insiders

According to the Securities and Exchange Act, the company insiders shall include the Company's directors, managers, and shareholders holding over 10% of the total shares. The related parties to insiders include:

- (1). The spouses and minor children of the insiders and those whose

names were used to hold shares.

- (2). Corporate director' s (supervisor' s) representatives, their spouses, minor children, and those whose names were used to hold shares.

These people are considered company insiders.

II. Insider trading regulatory subjects:

In addition to the above, insiders also include people who have learned the information based on professional or controlling relationships and news recipients who have learned the news from insiders.

Article 4: Responsibilities:

- I. The Company' s Financial Department shall be responsible for formulating and maintaining this Operating Procedure.
- II. The Company' s spokesperson is responsible for disseminating major company information to the public.

Article 5: Operation Content:

- I. The Company shall comply with Paragraph 1, Article 157-1 of the Securities and Exchange Act for the following persons who are within the scope of application for insider trading prohibition:
 1. The Company' s directors, supervisors, managers, and natural persons appointed to perform their duties according to Paragraph 1, Article 27 of the Company Act (according to Paragraph 1, Article 27 of the Company Act, government or legal person shareholders may be elected as a director or supervisor. But a natural person representative must be appointed to perform their duties).

2. A shareholder who holds over 10% of the Company' s shares.
3. A person who learns the information based on professional or controlling relationships.
4. Those who have lost the status of the first 3 items within 6 months.
5. Those who receive information from persons listed in the preceding 4 items.

Pursuant to Article 22-2 of the Securities and Exchange Act, the shares held by the Company' s directors, supervisors, managers, and shareholders holding more than 10% of the Company shall include shares held by their spouses, minor children, and under the names of other parties

II. Insider Trading:

Pursuant to Paragraph 1, Article 157-1 of the Securities and Exchange Act, when an insider trading regulatory subject became aware of any information that will have a substantial impact on the price of the securities of the issuing company, the insider shall not, prior to the public disclosure of such information or within 12 hours after its public disclosure, purchase or sell any shares or equity-type securities of the Company that is listed on exchanges or traded in securities firms.

Violation of this rule constitutes insider trading.

III. Pursuant to Paragraph 4, Article 157-1 of the Securities and Exchange Act, the scope of news that has a significant impact on the Company' s stock price includes:

1. Information involving the Company' s finances and businesses that has a major impact on the company' s stock price or has a major impact on the investment decisions of legitimate investors.
2. Information involving the market supply and demand of the

securities or public acquisitions that has a major impact on the Company' s stock price or the investment decision of legitimate investors.

IV. Information that has a significant impact on stock prices and its disclosure method:

Pursuant to "the scope of major news and its disclosure method provided by Paragraph 4, Article 157-1 of the Securities and Exchange Act" :

1. For major news related to the company' s financial and business aspects, the method of disclosure refers to the Market Observation Post System entered by the Company.
2. For major news involving market supply and demand, the method of disclosure refers to the Market Observation Post System entered by the Company, basic market conditions reports, two or more non-local newspapers issued daily across the country, national television news, or electronic reports issued by the aforesaid media.

V. Major Internal Information Processing Procedure:

1. The Company' s important internal information shall be handled and disclosed according to the relevant laws, decrees, and regulations of the Taiwan Stock Exchange or the Taipei Exchange.
2. The directors, managers, and employees of the Company shall perform their duties under the care and loyalty obligation as good managers as well as the principle of good faith. They must also sign confidentiality agreements.

Directors, managers, and employees aware of the Company' s critical internal information shall not disclose the critical internal information they have learned to others.

The Company' s directors, managers, and employees shall not inquire or collect the Company' s undisclosed material information unrelated to their duties from those who know the Company' s critical internal information. Any critical internal information shared with them shall not be disclosed to others.

3. When the Company' s critical internal information files are transmitted in writing, such files must be properly protected. When delivered via E-mail or other electronic means, the information must be processed with appropriate encryption, electronic signature, or other security technologies. The Company' s critical internal information files must be backed up and stored safely.
4. Organizations or personnel outside the Company participate in the Company' s mergers and acquisitions, important memoranda, strategic alliances, other business cooperation plans, or signing important contracts must sign a confidentiality agreement and refrain from disclosing the Company' s critical internal information to others.
5. The Company should adhere to the following principles when disclosing critical internal information:
 - (1). The information disclosed must be correct, complete, and instant.
 - (2). The information disclosed must have a basis.
 - (3). The information must be disclosed in a fair manner.
6. The disclosure of the Company' s critical internal information must be handled by the Company' s spokesperson or acting spokesperson unless otherwise provided by the laws or regulations. If necessary, the person in charge of the Company shall handle the

matters directly.

The speech content of the Company' s spokesperson and acting spokesperson shall be limited to the scope authorized by the Company. Except for the Company' s responsible person, spokesperson, and acting spokesperson, the Company' s other personnel shall not disclose critical internal information without authorization.

7. The Company' s external information disclosure shall keep the following records:
 - (1). The person, date, and time of the information disclosure.
 - (2). The method of information disclosure.
 - (3). The information content disclosed.
 - (4). The written information content delivered.
 - (5). Other related information.
8. If the content reported by the media is inconsistent with the content disclosed by the Company, the Company shall immediately clarify the issue from the Market Observation Post System and request the media to make the corrections.
9. If the Company' s directors, managers, and employees become aware of major internal information leaks, they must report the leaks to the responsible unit and Internal Audit Department as soon as possible.

After receiving the preceding report, the responsible unit shall formulate countermeasures and invite internal auditing and other departments to discuss and deal with the matter if necessary. The handling results shall be recorded for reference, and the internal audits shall conduct the audits based on their duties.

10. The Company shall hold relevant personnel accountable and take appropriate legal measures under any one of the following circumstances:

- (1). The Company' s personnel has disclosed critical internal information or violated this Operating Procedure or other laws and regulations without authorization.
- (2). The content of the Company' s spokesperson or acting spokesperson' s external statements has exceeded the scope of the Company' s authorization or violated this Operating Procedure or other laws and regulations.

If a person outside the Company has leaked the Company' s critical internal information and caused damage to the Company' s property or interests, the Company shall pursue legal liability through relevant channels.

Article 6: Education Advocacy

The Company shall conduct education advocacy of this Operating Procedure or related laws and regulations for its directors, managers, and employees at least once a year.

Education advocacy shall be promptly provided to new directors, managers, and employees.

The company' s insider stock trading closed period:

In accordance with the provisions of the "Code of Practice for the Governance of Listed Companies", the company's directors, managers, employees and other insiders are not allowed to disclose information during the closed period of 15 days before the announcement of

quarterly financial reports and 30 days before the announcement of annual financial reports. Buy and sell the company's stock to avoid concerns about insider trading.

Article 7: Declaration

The Company shall establish and maintain internal personnel data files and report to the competent authority according to the prescribed time limit and method.

If the Company's directors, managers, and shareholders holding over 10% of the shares and their related persons (including the insiders' spouses and minor children and those whose names were used to hold shares) have changed, the information shall be declared ("Real-time Reporting System for New [Dismissed] Insiders") within 2 days after the fact. The Company's directors, and managers shall sign the Insider Related Laws and Regulation Awareness Declaration within 5 days from taking office. The Company shall retain a copy for future reference. A copy of the declaration from directors and shall be delivered to this center for reference within 10 days after they take office.

Article 8: Implementation

This Operating Procedure shall be implemented after approval by the board of directors, and the same shall apply to its amendments.

Article 9: Establishment Time

This Operating Procedure was established on March 24, 2010.

The first revision was on January 30, 2018.

The second revision was on November 9, 2023.

禁止複製