A Plus Biotechnology Co., Ltd.
Operating Procedures Governing Financial and Business Matters Between the Company and its Affiliates

Article I. Purpose

These Operating Procedures (Procedures) are established pursuant to Article 17 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies to ensure the soundness of financial and business dealings between the Company and its Affiliates. The objective is to prevent non-arm's-length transactions and improper transfers of interests in matters such as sales/purchases, acquisition or disposal of assets, endorsements/guarantees, and lending of funds between the Company and its Affiliates.

Article II. Scope of Application

All financial and business activities between the Company and its Affiliates shall comply with these Procedures, unless otherwise stipulated by law or the Company's Articles of Incorporation.

Article III. Definitions of Affiliates

The term "Affiliates"in these Procedures refers to enterprises that exist independently but have the following relationships, as defined in Article 369-1 of the Company Act:

1. Companies with a controlling and subordinate relationship.
2. Mutually invested companies. In determining the controlling and subordinate relationship stipulated in the preceding paragraph, both the legal form and the substance of the relationship shall be considered.

Article IV. Internal Control System

The Company shall consider the overall operational activities of the Company and its Affiliates, establish an effective internal control system, and review it promptly to adapt to changes in the internal and external environment, thereby ensuring the continuous effectiveness of the system's design and execution.

The Company shall urge its subsidiaries to establish effective internal control systems, taking into account local government laws and regulations and the actual nature of their operations. If an Affiliate is a non-publicly traded company, the Company shall still require it to establish effective internal control systems and financial, operational, and accounting management systems, taking into account the extent of its impact on the

Company's financial and business affairs.

Article V. Oversight of Affiliate Management

In supervising the management of Affiliates, the Company shall comply with its internal control systems and adhere to the following:

1. The Company shall secure appropriate Board of Directors seats in the Affiliates commensurate with its shareholding ratio.
2. Directors appointed by the Company to Affiliates shall regularly attend the Affiliate's board meetings. The respective management shall present the enterprise objectives and strategies, financial condition, operating results, cash flows, and significant contracts to the supervisory body to oversee the Affiliate's operations. Any abnormalities shall be investigated, documented, and reported to the Company's Chairman or General Manager.
3. Supervisors (or Audit Committee members where applicable) appointed by the Company to Affiliates shall oversee the execution of the Affiliate's business, investigate its financial and business condition, inspect its books, documents, and audit reports, and may request reports from the Affiliate's board of directors or managers. Any abnormalities shall be investigated, documented, and reported to the Company's Chairman or General Manager.
4. The Company shall appoint qualified personnel to critical positions in the Affiliates, such as General Manager, Chief Financial Officer, or Chief Internal Auditor, to secure responsibilities for operational management, decision-making, and supervision/evaluation.
5. The Company shall guide its subsidiaries to establish internal audit units and define the procedures and methods for self-inspection of the internal control system, based on the nature of their operations, operating scale, and number of employees.
6. In addition to reviewing the audit reports or self-inspection reports submitted by subsidiaries, the Company's internal audit personnel shall conduct periodic or ad-hoc audits of the subsidiaries. After approval, the findings and recommendations of the audit report shall be communicated to the audited subsidiaries for corrective action. Follow-up reports shall be regularly prepared to ensure that timely and appropriate corrective measures have been taken.

7. Subsidiaries shall periodically submit monthly financial statements for the preceding month, including the balance sheet, income statement, expense details, cash receipts and payments and projection, accounts receivable aging analysis and overdue accounts detail, inventory aging analysis, and monthly reports on lending funds to others and endorsements/guarantees, for the Company's control purposes. Other Affiliates shall also periodically provide the Company with quarterly financial statements, including the balance sheet and income statement, for the Company's analysis and review.

Article VI. Personnel Management

The Company’s managers shall not concurrently serve as managers of Affiliates, nor shall they operate or engage in businesses similar to the Company's, unless such engagement is approved by a resolution of the Board of Directors. The responsibilities for personnel management between the Company and its Affiliates shall be clearly delineated, and the interchange of personnel shall be avoided. However, if support or reassignment is necessary, the scope of work, responsibilities, and cost allocation methods shall be pre-defined.

Article VII. Communication and Risk Management

The Company shall establish an effective financial and operational communication system with each Affiliate and conduct a comprehensive risk assessment of the banks, major customers, and suppliers with whom it deals regularly to mitigate credit risk. For Affiliates with financial and business dealings, the Company shall maintain continuous control over their significant financial and operational matters for risk management purposes.

Article VIII. Lending Funds and Endorsements/Guarantees

The lending of funds or providing of endorsements/guarantees between the Company and its Affiliates shall be carefully evaluated and comply with the Regulations Governing the Loaning of Funds and Making of Endorsements/Guarantees by Public Companies and the Company’s established procedures for lending funds and making endorsements/guarantees.

Any lending of funds or endorsements/guarantees with Affiliates shall be subject to a detailed review of the following matters, and the evaluation results shall be reported to the Board of Directors:

1. The necessity and rationality of the lending or endorsement/guarantee. For transactions arising from business dealings, the amount of the loan or endorsement/guarantee shall be evaluated against the amount of the business dealings. If short-term financing is necessary, the reasons and circumstances justifying the loan shall be explicitly listed.
2. Credit assessment and risk evaluation of the counterparty receiving the loan or endorsement/guarantee.
3. The impact on the Company’s operational risk, financial condition, and shareholders' equity.
4. The necessity of obtaining collateral and the appraised value of the collateral.

Lending of funds shall be processed only after a Board resolution and shall not be delegated to others for decision-making. Endorsements/guarantees may be handled by the Chairman within a specified limit authorized by the Board of Directors in accordance with the preceding paragraph, but such actions shall be ratified by the closest subsequent Board meeting.

A subsidiary in which the Company directly and indirectly holds 90% or more of the voting shares shall report the provision of endorsements/guarantees to the Company's Board of Directors for resolution before proceeding, in accordance with Paragraph 2, Article 5 of the Regulations Governing the Loaning of Funds and Making of Endorsements/Guarantees by Public Companies. This restriction shall not apply to endorsements/guarantees between companies in which the Company directly or indirectly holds 100% of the voting shares.

Loaning of funds between the Company and its parent or subsidiaries, or between its subsidiaries, shall be resolved by the Board of Directors. The Board may authorize the Chairman to disburse or revolve funds to the same borrower in installments within a specific limit and for a period not exceeding one year, as resolved by the Board.

The Board of Directors shall fully consider the opinions of each Independent Director regarding lending funds or providing endorsements/guarantees to Affiliates, and their clear opinions, whether in agreement or in opposition, and the reasons for opposition, shall be recorded in the meeting minutes. The total amount of lending of funds between foreign companies in which the Company directly and indirectly holds 100% of the voting shares, when short-term financing is necessary, shall not be restricted by the limit of 40% of the net value of the lending company. The total amount of endorsements/guarantees between companies in which the Company directly and indirectly holds 90% or more of the voting shares shall not exceed 10% of the Company’s net value. This restriction shall not apply to endorsements/guarantees between companies in which the Company directly or indirectly holds 100% of the voting shares. Subsequent control measures for lending funds or providing guarantees shall be rigorously implemented. If there is any risk of overdue debt or loss, appropriate preservation measures shall be taken to protect the Company's rights.

Article IX. Business Dealings

The Company and its Affiliates shall clearly define the pricing terms and payment methods for business dealings. The purpose, price, terms, substance, and form of the transaction, and related procedures shall not be significantly disproportionate or unreasonable compared to normal transactions with non-Affiliated parties.

When purchasing finished goods, semi-finished goods, or raw materials from Affiliates for business needs, the procurement personnel shall comprehensively evaluate the reasonableness of the Affiliate's quotation based on market prices and other transaction terms. Except for special factors or superior conditions that differ from those of general suppliers and may allow preferential prices or payment terms based on reasonable agreements, other prices and payment terms shall be comparable to those of general suppliers.

When selling finished goods, semi-finished goods, or raw materials to

Affiliates, the quoted price shall refer to the prevailing market price. Except for long-term cooperation or other special factors that differ from those of general customers, which may allow preferential prices or collection terms based on reasonable agreements, other prices and collection terms shall be comparable to those of general customers.

For labor or technical services between the Company and its Affiliates, both parties shall sign a contract that stipulates the scope of services, service fee, period, payment terms, and after-sales service. The contract shall be processed after approval by the General Manager or Chairman. All clauses of the contract shall follow normal commercial practice.

The Company and its Affiliates shall mutually reconcile the outstanding balances of purchases, sales, and accounts receivable and payable for the preceding month before the end of each month. If there are discrepancies, the reasons shall be ascertained and a reconciliation statement prepared.

Article X. Asset Transactions and M&A

The Company's asset transactions, derivative product transactions, corporate mergers, demergers, acquisitions, or share transfers with Affiliates shall be conducted in accordance with the Regulations Governing the Acquisition or Disposal of Assets by Public Companies and the Company’s established procedures for the acquisition or disposal of assets.

When acquiring or disposing of securities from an Affiliate, or acquiring securities targeting an Affiliate from other non-Affiliates, the Company shall obtain the Affiliate’s most recent financial statements audited or reviewed by a certified public accountant prior to the date of the event as a reference for evaluating the transaction price. Furthermore, if the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, the Company shall engage a certified public accountant to render an opinion on the reasonableness of the transaction price prior to the date of the event. If the CPA needs to rely on an expert report, it shall be handled in accordance with Statement of Auditing Standards No. 71 issued by the Accounting Research and Development Foundation. This exception does not apply if the security is publicly quoted in an active market or otherwise stipulated by the Financial Supervisory Commission.

If the transaction amount for acquiring or disposing of intangible assets or their right-of-use assets or membership certificates from an Affiliate reaches

20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, the Company shall engage a certified public accountant to render an opinion on the reasonableness of the transaction price prior to the date of the event, and the CPA shall comply with Statement of Auditing Standards No. 71 issued by the Accounting Research and Development Foundation.

The calculation of the transaction amounts in the preceding two paragraphs shall be handled in accordance with Paragraph 2, Article 31 of the Regulations Governing the Acquisition or Disposal of Assets by Public Companies.

Article XI. Real Estate and Other Major Asset Transactions

When acquiring or disposing of real estate or its right-of-use assets from an Affiliate, or acquiring or disposing of other assets (excluding real estate or its right-of-use assets) with an Affiliate where the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, except for the buying and selling of government bonds, bonds with repurchase/resale conditions, or subscribing/redeeming domestic money market funds issued by securities investment trust enterprises, the following information shall be submitted to and approved and acknowledged by the Board of Directors and the Audit Committee before the execution of the contract and payment:

1. The appraisal report issued by a professional appraiser or a CPA's opinion, as required by regulations.
2. The purpose, necessity, and expected benefits of the acquisition or disposal of the asset.
3. The reason for selecting the Affiliate as the counterparty.
4. Relevant information for evaluating the reasonableness of the planned transaction terms when acquiring real estate from an Affiliate, in accordance with Articles 16 and 17 of the Regulations Governing the Acquisition or Disposal of Assets by Public Companies.
5. Details of the Affiliate's original acquisition date and price, counterparty, and the relationship between the counterparty and the Company and its Affiliates.

6. A cash receipt and disbursement projection for each month of the upcoming year, starting from the anticipated contract signing month, and an evaluation of the necessity of the transaction and the rationality of fund utilization.
7. Any restrictions on the current transaction and other important agreements.
8. The CPA's opinion on whether the Affiliate transaction is in accordance with general commercial terms and does not harm the interests of the Company and its minority shareholders.

If the transaction amount for acquiring or disposing of real estate, equipment, or their right-of-use assets in the preceding paragraph reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, an appraisal report issued by a professional appraiser shall be obtained. If the appraisal result differs from the transaction amount by 20% or more, a CPA shall also be engaged to provide a specific opinion on the reason for the difference and the fairness of the transaction price. Furthermore, the transaction must be approved by more than two-thirds of the directors present at a Board meeting, with more than half of the directors present.

When acquiring real estate from an Affiliate, if the actual transaction price is higher than the result of the cost evaluation, and the Company is unable to provide objective evidence and obtain a specific, reasonable opinion from a professional real estate appraiser and a CPA, the Board of Directors shall fully evaluate whether the interests of the Company and its shareholders are prejudiced, and shall reject the transaction if necessary. The Audit Committee shall also exercise its supervisory authority and, if necessary, immediately notify the Board of Directors to halt the action.

If the Audit Committee and the Board of Directors approve and acknowledge the aforementioned transaction, the Company shall set aside a special retained earnings reserve for the difference between the transaction price and the evaluated cost, which shall not be distributed or used to increase capital through retained earnings. Furthermore, the Company shall report the handling of the transaction to the Shareholders' Meeting and disclose the transaction details in the Annual Report and Prospectus. Affiliate transactions that fall under any of the following circumstances shall be resolved by the Board of Directors and subsequently approved by the Shareholders' Meeting. The Affiliate or related parties of the Affiliate shall not participate in the voting:

1. The difference between the transaction amount and the appraisal amount reaches 20% or more.
2. The transaction amount or terms have a significant impact on the Company's operations.
3. The transaction has a significant impact on shareholders' equity.
4. Other matters that the Board of Directors deems necessary to be resolved by the Shareholders' Meeting.

If the Company has an Audit Committee, the matters to be acknowledged under this Article shall first be approved by more than half of all members of the Audit Committee and then resolved by the Board of Directors, applying mutatis mutandis to Paragraphs 4 and 5 of Article 6 of the Regulations Governing the Acquisition or Disposal of Assets by Public Companies.

Article XII. Board Resolution and Director Recusal

When financial and business dealings with Affiliates require a resolution by the Board of Directors, the opinions of each Independent Director shall be fully considered, and their clear opinions, whether in agreement or opposition, and the reasons for opposition, shall be recorded in the meeting minutes.

A director who has a conflict of interest in the subject matter of a meeting, either personally or through the legal entity they represent, which may prejudice the interests of the Company, shall recuse themselves, refrain from discussion and voting, and shall not exercise the voting rights of other directors by proxy.

Directors shall be self-disciplined and avoid improper mutual support. The spouse, blood relatives within the second degree of kinship, or a company with a controlling-subordinate relationship with the director shall be deemed to have a personal conflict of interest for the director concerning the subject matter of the meeting in the preceding paragraph.

If the Audit Committee finds that the Board of Directors or a director's execution of business violates laws, regulations, the Articles of Incorporation, or a resolution of the Shareholders' Meeting, it shall immediately notify the Board of Directors or the director to cease the action and take appropriate measures to prevent the malpractice from expanding, and, if necessary, report the matter to the relevant competent authorities or agencies.

Article XIII. Information Disclosure

The Company shall arrange in a timely manner for its subsidiaries to provide the necessary financial and business information, or commission a CPA to audit or review their financial reports, to comply with the legal requirements for public announcements or reporting and their respective deadlines. The Company shall publicly announce the Consolidated Balance Sheet of Affiliates, Consolidated Statement of Comprehensive Income of Affiliates, and the CPA's review report in accordance with the legal deadline for annual financial report submission.

Any increase or decrease in Affiliates shall be reported to the Taiwan Stock Exchange or the Taipei Exchange within two days of the change. Significant transaction matters between the Company and its Affiliates shall be fully disclosed in the Annual Report, Financial Statements, Three Statements of Affiliates, and Prospectus.

If an Affiliate experiences financial distress, the Company shall obtain its financial statements and relevant information to evaluate the impact on the Company's financial, business, or operational affairs, and shall take appropriate preservation measures for the Company's claims if necessary. When such circumstances occur, in addition to listing the impact on the Company’s financial condition in the Annual Report and Prospectus, a Material Information announcement shall be immediately made on the Market Observation Post System.

Article XIV. Reporting on Affiliates

The Company shall file the relevant information on behalf of its Affiliates for public announcement/reporting if the Affiliate meets any of the following criteria:

1. A subsidiary whose stock is not publicly issued domestically if the amount of its acquisition or disposal of assets,

endorsements/guarantees, or lending of funds to others reaches the standard for public announcement and reporting.

2. Matters related to the bankruptcy or reorganization proceedings initiated by a parent company or a subsidiary under relevant laws and regulations.
3. Significant decisions resolved by an Affiliate's Board of Directors that have a material impact on the Company's shareholders' equity or securities price.
4. If the Company's subsidiaries and unlisted/unquoted parent company have any matters that qualify as Material Information under the Regulations Governing the Verification and Disclosure of Material Information of Companies Listed on the Taiwan Stock Exchange Corporation or the Taipei Exchange Procedures for Verifying and Disclosing Material Information of TPEx Listed Companies.

If the Company's parent company is a foreign company, the Company shall file a report on its behalf before the start of trading hours on the next business day following the date on which the Company learns of or the media reports any of the following facts concerning the parent company:

1. Occurrence of a significant change in shareholding.
2. Material change in operating policy.
3. Suffering a major disaster resulting in severe production reduction or complete cessation of production.
4. Changes in the laws and regulations of its home country that have a material impact on shareholders' equity or the Company's operations.
5. Media reports concerning the parent company that are sufficient to affect the market price of the Company's securities.
6. Other material events that are required to be timely reported under the laws of the foreign parent company's home country.

Article XV. Procedures and Date

1. These Procedures shall be implemented after approval by the Board of Directors, and the same procedure shall apply to any amendments.
2. These Procedures were established on December 19, 2022.