

# Catcher Technology Co., Ltd.

## Operating Regulations Governing Financial and Business Transactions Between Related Parties

### Article 1

To ensure the sound management of financial and business transactions between the Company and its related parties, and to prevent non-arm's-length transactions or improper transfer of interests in connection with purchases and sales, acquisition or disposal of assets, endorsements and guarantees, and loans of funds, these Operating Regulations are formulated in accordance with Article 17 of the Corporate Governance Best Practice Principles for TWSE/TPEx-Listed Companies, and shall be complied with accordingly.

### Article 2

Except as otherwise provided by applicable laws or the Company's Articles of Incorporation, all financial and business transactions between the Company and its related parties shall be handled in accordance with these Operating Regulations.

### Article 3

The term "related party" as used herein shall be determined in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

The term "affiliated enterprises" refers to enterprises that exist independently but have any of the following relationships pursuant to Article 369-1 of the Company Act:

1. Companies having a controlling and subordinate relationship.
2. Companies with mutual investment relationships.

In determining the existence of controlling or subordinate relationships under the preceding paragraph, consideration shall be given not only to legal form but also to the substance of the relationship.

### Article 4

The Company shall, in light of its overall operating activities, establish effective internal control systems for transactions with related parties (including affiliated enterprises), and shall continuously review and revise such systems to respond to changes in internal and external environments, so as to ensure their ongoing effectiveness in both design and implementation.

The Company shall, after considering local laws and regulations and the nature of operations at subsidiaries' locations, supervise subsidiaries in establishing effective internal control systems. Where a related party is a non-public company, the Company shall, based on the degree of impact on its financial and business operations, require such entity to establish effective internal controls and financial, business, and accounting management systems.

### Article 5

In supervising the operations and management of affiliated enterprises, the Company shall, in addition to implementing its internal control systems, pay attention to the following matters:

1. The Company shall obtain appropriate seats of directors and supervisors in affiliated enterprises in proportion to its shareholding.
2. Directors appointed by the Company to affiliated enterprises shall attend board meetings regularly, where management shall report corporate objectives and strategies, financial conditions, operating results, cash flows, major contracts, and other material matters, in order to supervise operations. Any abnormalities shall be investigated, documented, and reported to the Chairman or President of the Company.
3. Supervisors appointed by the Company shall oversee business execution, examine financial and operational conditions, review books, records, and audit reports, and may request reports from the board or management of affiliated enterprises. Any abnormalities shall be investigated, documented, and reported to the Chairman or President.
4. The Company shall appoint suitable personnel to key positions of affiliated enterprises, such as president, chief financial officer, or head of internal audit, to ensure effective management authority, decision-making, and oversight responsibilities.
5. Based on the nature of operations, scale, and number of employees of each subsidiary, the Company shall guide subsidiaries in establishing internal audit units and self-inspection procedures for internal control systems.
6. Internal auditors of the Company shall not only review audit or self-inspection reports submitted by subsidiaries, but shall also conduct regular or ad hoc audits of subsidiaries. Findings and recommendations shall be communicated to the audited subsidiaries for improvement, with follow-up reports prepared to ensure timely corrective actions.

7. Subsidiaries shall submit monthly financial statements, including balance sheets, income statements, expense breakdowns, aging analyses of accounts receivable and overdue receivables, inventory aging analyses, and monthly reports on loans and endorsements. Any abnormalities shall be accompanied by analysis reports. Other affiliated enterprises shall submit quarterly financial statements for the Company's review and analysis.

#### **Article 6**

Managers of the Company shall not concurrently serve as managers of affiliated enterprises, nor engage in businesses identical or similar to those of the Company, unless otherwise approved by the Board of Directors. Authority and responsibility for personnel management between the Company and affiliated enterprises shall be clearly delineated, and personnel interchange shall be avoided. Where support or transfer is necessary, job scope, authority, responsibilities, and cost-sharing arrangements shall be specified in advance.

#### **Article 7**

The Company shall establish effective financial and business communication systems with affiliated enterprises, and shall conduct comprehensive risk assessments of banks, major customers, and suppliers on a regular basis to reduce credit risk. For affiliated enterprises with financial or business dealings, the Company shall closely monitor major financial and operational matters to strengthen risk control.

#### **Article 8**

Loans of funds to, or endorsements and guarantees for, related parties shall be prudently evaluated and conducted in compliance with the Regulations Governing Loans of Funds and Endorsements/Guarantees by Public Companies, as well as the Company's internal operating procedures governing loans of funds to others and endorsements and guarantees.

Loans of funds to, or endorsements and guarantees for, related parties shall be subject to a detailed review of the following matters, and the assessment results shall be submitted to the Board of Directors. Loans of funds shall be carried out only after approval by a resolution of the Board of Directors and shall not be delegated to other persons. Endorsements and guarantees may, in accordance with the preceding paragraph, be authorized by the Board of Directors to the Chairman within a specified limit; however, such actions shall be submitted to the most recent Board meeting for ratification.

1. The necessity and reasonableness of the loan of funds or endorsement and guarantee. Where such transactions arise from business dealings, an assessment shall be made as to whether the loan or guarantee amount is commensurate with the amount of business transactions. Where short-term funding is necessary, the reasons and circumstances justifying the loan shall be clearly specified.
2. Credit investigation and risk assessment of the counterparty receiving the loan of funds or endorsement and guarantee.
3. The impact on the Company's operational risk, financial condition, and shareholders' equity.
4. Whether collateral should be obtained and the appraised value of such collateral.

Where a subsidiary in which the Company directly or indirectly holds 90% or more of the voting shares provides an endorsement or guarantee in accordance with Paragraph 2 of Article 5 of the Regulations Governing Loans of Funds and Endorsements/Guarantees by Public Companies, such action shall be submitted to the Company's Board of Directors for approval prior to implementation. This requirement shall not apply to endorsements and guarantees provided between companies in which the Company directly or indirectly holds 100% of the voting shares.

Loans of funds between the Company and its parent company or subsidiaries, or among subsidiaries, shall be approved by a resolution of the Board of Directors. The Board may authorize the Chairman, within a specified amount approved by the Board and for a period not exceeding one year, to disburse such loans in installments or on a revolving basis to the same counterparty.

In connection with loans of funds to, or endorsements and guarantees for, related parties, due consideration shall be given to the opinions of all independent directors. Their explicit opinions in favor of or against the proposal, together with the reasons for any dissent, shall be recorded in the minutes of the Board meeting.

Where overseas companies in which the Company directly or indirectly holds 100% of the voting shares engage in loans of funds due to short-term financing needs, the financing amount shall not be subject to the limitation of 40% of the lending company's net worth. Where companies in which the Company directly or indirectly holds 90% or more of the voting shares provide endorsements or guarantees, the amount thereof shall not exceed 10% of the Company's net worth; however, this limitation shall not apply to endorsements or guarantees provided between companies in which the Company directly or indirectly holds 100% of the voting shares.

For loans of funds or guarantees provided, subsequent monitoring and control measures shall be duly implemented. Where any receivable becomes overdue or there is a risk of loss, appropriate protective measures shall be adopted to safeguard the Company's interests.

## **Article 9**

Business transactions between the Company and related parties shall have clearly defined pricing terms and payment methods. The purpose, price, terms, substance and form of the transactions, as well as related handling procedures, shall not be materially inconsistent with or manifestly unreasonable compared to normal transactions conducted with non-related parties.

Where, due to business needs, the Company procures finished goods, semi-finished goods, or raw materials from related parties, procurement personnel shall comprehensively assess the reasonableness of the related party's pricing by reference to prevailing market prices and other transaction terms. Except where special circumstances exist or the related party offers superior terms compared to general suppliers—under which preferential pricing or payment terms may be granted based on reasonable agreements—the remaining pricing and payment terms shall be consistent with those applied to general suppliers.

Where the Company sells finished goods, semi-finished goods, or raw materials to related parties, the pricing shall be determined with reference to prevailing market prices. Except where preferential pricing or collection terms are reasonably agreed upon due to long-term cooperation or other special factors differing from those applicable to general customers, the remaining pricing and collection terms shall be consistent with those offered to general customers.

For the provision of labor or technical services between the Company and related parties, a contract shall be executed by both parties specifying the scope of services, service fees, term, payment and collection terms, and after-sales services. Such contracts shall be subject to approval by the President or the Chairman, and all contractual terms shall be conducted in accordance with normal commercial practice.

The accounting personnel of the Company and those of related parties shall, prior to the end of each month, reconcile the purchase and sales transactions and the balances of accounts receivable and accounts payable for the preceding month. Any discrepancies shall be investigated, and reconciliation statements shall be prepared accordingly.

### **Article 9-1**

Where the Company engages in purchases or sales of goods, or in transactions involving labor or technical services, with related parties, and the total annual transaction amount is expected to reach 5% or more of the Company's most recent consolidated total assets or net consolidated operating revenue for the most recent fiscal year, such transactions—except where they are subject to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, or constitute transactions between the Company and its parent company, subsidiaries, or among subsidiaries—shall be submitted to the Board of Directors for approval prior to execution. The following information shall be presented to the Board for review:

1. The transaction items, purpose, necessity, and expected benefits.
2. The reasons for selecting the related party as the transaction counterparty.
3. The principles for determining transaction pricing and the proposed annual transaction amount cap.
4. An explanation as to whether the transaction terms comply with normal commercial terms and do not prejudice the interests of the Company or its shareholders.
5. Any transaction restrictions and other material contractual terms.

Upon completion of the fiscal year, transactions with related parties as described above shall be reported to the most recent shareholders' meeting, including the following matters:

1. The actual transaction amounts and terms.
2. Whether the transactions were conducted in accordance with the pricing principles approved by the Board of Directors.
3. Whether the actual transaction amounts exceeded the annual transaction amount cap approved by the Board of Directors. Where the cap has been exceeded, an explanation of the reasons, necessity, and reasonableness thereof shall be provided.

## **Articles 10**

Asset transactions, derivative transactions, mergers, demergers, acquisitions, or transfers of shares conducted between the Company and its related parties shall be handled in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies and the Company's internal procedures for the acquisition or disposal of assets.

Where the Company acquires or disposes of securities from or to related parties, or acquires securities that have affiliated enterprises as their underlying targets, the Company shall, prior to the occurrence of the transaction, obtain the most recent financial statements of the target company that have been audited or reviewed by a certified public accountant as a reference for evaluating the transaction price. In addition, where 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, prior to the occurrence of the transaction, engage a certified public accountant to render an opinion on the reasonableness of the transaction price. This requirement shall not apply where the securities are publicly quoted in an active market or where otherwise provided by the Financial Supervisory Commission.

Where the Company acquires or disposes of intangible assets, right-of-use assets thereof, or membership certificates from or to related parties, and 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, prior to the occurrence of the transaction, engage a certified public accountant to render an opinion on the reasonableness of the transaction price.

#### **Articles 11**

Where the Company acquires or disposes of real property or right-of-use assets thereof from or to related parties, or acquires or disposes of assets other than real property or right-of-use assets thereof from or to related parties, and the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more, the Company—except for transactions involving government bonds, bonds with repurchase or resale agreements, or subscriptions for or redemptions of domestic money market funds issued by securities investment trust enterprises—shall submit the following information for approval by the Board of Directors and acknowledgment by the supervisors before entering into the transaction contract and making payment:

1. An appraisal report issued by a professional appraiser as required by regulations, or an opinion rendered by a certified public accountant.
2. The purpose, necessity, and expected benefits of acquiring or disposing of the asset.
3. The reasons for selecting the related party as the transaction counterparty.
4. For acquisitions of real property from related parties, relevant information used to assess the reasonableness of the proposed transaction terms in accordance with Articles 16 and 17 of the *Regulations Governing the Acquisition and Disposal of Assets by Public Companies*.
5. The date and price at which the related party originally acquired the asset, the transaction counterparty, and the relationship among the counterparty, the Company, and related parties.
6. A monthly cash flow forecast for the year following the expected contract execution month, together with an assessment of the necessity of the transaction and the reasonableness of fund utilization.
7. Any restrictions applicable to the transaction and other material contractual terms.
8. An opinion issued by a certified public accountant on whether the related-party transaction complies with normal commercial terms and does not prejudice the interests of the Company or its minority shareholders.

Where the transaction amount for the acquisition or disposal of real property, equipment, or right-of-use assets thereof reaches 20% of the Company's paid-in capital, 10% of total assets, or NT\$300 million or more, the Company shall obtain an appraisal report issued by a professional appraiser. If the difference between the appraised value and the transaction price reaches 20% or more of the transaction amount, the Company shall further engage a certified public accountant to provide a specific opinion on the reasons for the discrepancy and the appropriateness of the transaction price. Such transactions shall be approved by at least two-thirds of the directors present at a Board meeting attended by more than two-thirds of all directors, with the consent of a majority of the directors present.

Where the Company acquires real property or right-of-use assets thereof from related parties and the actual transaction price exceeds the result of the assessed transaction cost, and objective evidence or specific reasonable opinions from a professional real estate appraiser and a certified public accountant cannot be provided, the Board of Directors shall fully assess whether the transaction would prejudice the interests of the Company or its shareholders and, where necessary, shall reject the transaction. The supervisors shall also exercise their supervisory authority and, if necessary, promptly notify the Board of Directors to suspend the transaction.

Where the Board of Directors approves and the supervisors acknowledge the transaction described above, the Company shall, in addition to appropriating the difference between the transaction price and the assessed transaction cost to a special surplus reserve, which shall not be distributed or capitalized, report the handling of such transaction to the shareholders' meeting and disclose detailed transaction information in the annual report and prospectus.

Where a related-party transaction falls under any of the following circumstances, even after approval by the Board of Directors, the information specified in the first paragraph shall still be submitted to the shareholders' meeting for resolution, and shareholders with a personal interest in the transaction shall not participate in voting:

1. Where the Company or a subsidiary that is not a domestic public company engages in a transaction described in the first paragraph and the transaction amount reaches 10% or more of the Company's total assets.
2. Where, pursuant to the Company Act, the Company's Articles of Incorporation, or internal operating procedures, the transaction amount or terms have a material impact on the Company's operations or shareholders' equity.

Where the Company engages in transactions described in the first paragraph with related parties, the actual transaction details—including transaction amounts, terms, and the information specified in the first paragraph—shall be reported to the most recent shareholders' meeting after the end of the fiscal year.

Where the Company has established an Audit Committee, matters that are required under this Article to be acknowledged by supervisors shall first be approved by more than one-half of all Audit Committee members and then submitted to the Board of Directors for resolution, mutatis mutandis applying Paragraphs 4 and 5 of Article 6 of the *Regulations Governing the Acquisition and Disposal of Assets by Public Companies*.

## **Articles 12**

Where financial or business transactions with related parties are required to be approved by the Board of Directors, due consideration shall be given to the opinions of all independent directors. Their explicit opinions in favor of or against the proposal, together with the reasons for any dissent, shall be recorded in the minutes of the Board meeting.

Where a director has a personal interest, or an interest on behalf of a legal entity he or she represents, in matters under deliberation that may prejudice the interests of the Company, the director shall voluntarily recuse himself or herself and shall not participate in the discussion or voting, nor exercise voting rights on behalf of other directors. Directors shall exercise self-discipline and shall not improperly support one another.

Where the spouse of a director, a relative within the second degree of kinship, or a company having a controlling or subordinate relationship with the director has an interest in a matter under deliberation as described in the preceding paragraph, such circumstance shall be deemed to constitute a personal interest of the director in that matter.

Where supervisors determine that the Board of Directors or any director, in the performance of duties, has violated applicable laws or regulations, the Articles of Incorporation, or resolutions of the shareholders' meeting, they shall promptly notify the Board of Directors or the relevant director to cease such conduct and shall take appropriate measures to prevent any escalation. Where necessary, supervisors shall report such matters to the competent authorities.

## **Articles 13**

The Company shall comply with applicable laws and regulations governing matters subject to public announcement or regulatory filing, as well as the prescribed timelines therefor, and shall timely arrange for its subsidiaries to provide necessary financial and business information, or engage certified public accountants to audit or review the financial reports of such subsidiaries.

In accordance with the statutory deadlines for filing annual financial reports, the Company shall publicly disclose consolidated balance sheets and consolidated statements of comprehensive income of affiliated enterprises, together with the certified public accountant's review report. Where there are any additions to or changes in affiliated enterprises, the Company shall report such changes to the Taiwan Stock Exchange or the Taipei Exchange within two (2) days of the occurrence.

Material transactions between the Company and related parties shall be fully disclosed in the annual report, financial statements, the affiliated enterprises statements, and the prospectus.

Where a related party experiences financial liquidity difficulties, the Company shall obtain its financial statements and relevant information in order to assess the impact on the Company's financial condition, business operations, or overall operations. Where necessary, the Company shall adopt appropriate protective measures to safeguard its claims. In such circumstances, in addition to specifying the impact on the Company's financial condition in the annual report and prospectus, the Company shall promptly disclose a material information announcement through the Market Observation Post System.

## **Articles 14**

Where any of the following circumstances occur with respect to the Company's affiliated enterprises, the Company shall make public announcements and regulatory filings on their behalf, as required:

1. Where a subsidiary whose shares are not publicly issued domestically acquires or disposes of assets, provides endorsements or guarantees, or lends funds to others, and the transaction amount reaches the thresholds requiring public announcement and reporting.
2. Matters relating to bankruptcy or reorganization proceedings of the parent company or any subsidiary conducted in accordance with applicable laws and regulations.
3. Material resolutions adopted by the board of directors of an affiliated enterprise that have a significant impact on the Company's shareholders' equity or the market price of its securities.
4. Where any subsidiary of the Company has material information that is required to be publicly disclosed pursuant to the Procedures for Verification and Disclosure of Material Information of Listed Companies of the Taiwan Stock Exchange Corporation or the Procedures for Verification and Disclosure of Material Information of OTC Companies of the Taipei Exchange.

## **Article 15**

These Operating Regulations shall take effect upon approval by the Board of Directors, and any amendments hereto shall be subject to the same procedure.

These Operating Regulations were enacted on November 6, 2025.