

GROUNDHOG INC.

**PROCEDURES FOR HANDLING
MATERIAL INTERNAL INFORMATION
AND PREVENTING INSIDER TRADING**

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Notice To Readers

This English version is a machine-translated of Chinese version and is not an official document of Groundhog Inc. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Article 1

To establish a sound mechanism for handling and disclosing material internal information, prevent improper information leakage, ensure the consistency and accuracy of the information released externally by the Company, and strengthen the prevention of insider trading, these procedures are hereby established for compliance.

Article 2

The Company shall handle and disclose material internal information in accordance with applicable laws, regulations, and the rules of the Taiwan Stock Exchange or the Taipei Exchange, as well as these procedures.

Article 3

1. These procedures apply to the Company's insiders, the related parties of insiders, and employees.
2. According to the definition under the Securities and Exchange Act, "insiders" refer to:
 - (1) Directors, managerial officers, and shareholders holding more than 10% of the total shares of the Company.
 - (2) Natural persons designated by institutional directors or shareholders to perform duties on their behalf.
3. Related parties of insiders include:
 - (1) The spouse, minor children, and persons holding shares under the name of others on behalf of the insider.
 - (2) The representatives of institutional directors, as well as the representatives' spouses, minor children, and persons holding shares under the name of others on their behalf.
4. In addition to the aforementioned insiders, the scope of insider trading regulations also includes:
 - (1) Persons who obtain information due to their professional duties or control

relationships.

(2) Persons who, within six months after losing any of the identities specified herein, still fall within the applicable period.

(3) Recipients of material information obtained from insiders.

Article 4

The scope of material internal information referred to in these procedures includes:

1. Matters required to be publicly announced and reported as authorized under Article 36-1 of the Securities and Exchange Act.
2. Matters required to be publicly announced and reported under Article 36, Paragraph 2 of the Securities and Exchange Act and Article 7 of the Enforcement Rules of the Securities and Exchange Act.
3. Material information required to be disclosed as specified in Paragraphs 5 and 6 of Article 157-1 of the Securities and Exchange Act and the Regulations Governing the Scope of Material Information and the Means of Its Disclosure.
4. “Material information” as defined under the Procedures for Verification and Disclosure of Material Information for OTC-listed Companies established by the Taipei Exchange or the Procedures for Verification and Disclosure of Material Information for TWSE-listed Companies established by the Taiwan Stock Exchange.

Article 5

According to Article 157-1, Paragraph 1 of the Securities and Exchange Act, any person subject to insider trading regulations who becomes aware of information that has a material impact on the company’s stock price is prohibited from buying or selling the company’s listed shares or any equity-type securities traded at securities firms’ business premises before such information is made public or within 18 hours after its disclosure. Any violation of this provision constitutes insider trading.

Article 6

For the purposes of this operating procedure, the time at which information is deemed to have been established shall be the date on which the relevant fact occurs, the date of agreement, the date of contract signing, the payment date, the date of authorization, the transaction date, the transfer date, the date of the board resolution, or any other clearly identifiable date based on specific evidence. The earliest of these dates shall prevail.

Article 7

The dedicated unit responsible for handling the Company's internal material information is the Administration Department. Based on the Company's size, business operations, and management needs, the unit is composed of competent members in an appropriate number and is approved by the Board of Directors. Its authorities and responsibilities are as follows:

- (1) Drafting and revising the guidelines under this operating procedure.
- (2) Handling inquiries, reviews, and recommendations related to the processing of internal material information and matters pertaining to this operating procedure.
- (3) Receiving reports regarding the leakage of internal material information and formulating corresponding response measures.
- (4) Formulating the retention system for all documents, files, and electronic records related to this operating procedure.
- (5) Other matters related to this operating procedure.

Article 8

1. Directors, managerial officers, and employees of the Company shall perform their duties with the care of a good administrator and the duty of loyalty, act in accordance with the principle of good faith, and sign a confidentiality agreement.
2. Directors, managerial officers, and employees who become aware of the

Company's material non-public information shall not disclose such information to any other person.

3. Directors, managerial officers, and employees of the Company shall not inquire about or collect the Company's material non-public information from others if such information is unrelated to their job responsibilities. They shall also not disclose any of the Company's material non-public information learned other than in the course of performing their duties.

Article 9

1. When material non-public information documents of the Company are transmitted in physical form, they shall be properly protected. When transmitted by email or other electronic means, appropriate security measures such as encryption or electronic signatures shall be applied.
2. Documents containing the Company's material non-public information shall be backed up and stored in a secure location.

Article 10

The Company shall ensure the establishment of the firewalls prescribed in the preceding two articles and shall adopt the following measures:

1. Implement appropriate firewall control measures and conduct regular testing.
2. Strengthen the safekeeping and confidentiality measures for the Company's material non-public information documents.

Article 11

Institutions or individuals outside the Company who participate in the Company's mergers and acquisitions, significant memoranda, strategic alliances, other business cooperation projects, or the execution of important contracts shall sign a confidentiality agreement and shall not disclose any material non-public information of the Company obtained in the course thereof to any other person.

Article 12

The Company shall adhere to the following principles when disclosing material non-public information externally:

1. The information disclosed shall be accurate, complete, and timely.
2. The information disclosed shall be properly substantiated.
3. The information shall be disclosed fairly.

Article 12-1

When the Company releases material information, it shall comply with applicable laws and regulations, the Taipei Exchange Procedures for Verification and Disclosure of Material Information of TPEx-Listed Companies, the Taiwan Stock Exchange Procedures for Verification and Disclosure of Material Information of TWSE-Listed Companies, relevant Q&A guidelines, and these Procedures, in order to ensure the timeliness, accuracy, and completeness of the disclosed information.

When a major decision resolved by the Company or a significant event occurs that meets the requirements under the Taipei Exchange Procedures for Verification and Disclosure of Material Information of TPEx-Listed Companies or the Taiwan Stock Exchange Procedures for Verification and Disclosure of Material Information of TWSE-Listed Companies, the responsible unit shall, on the date of occurrence, complete the “Application for Releasing Material Information” and the “Material Information Assessment Checklist.” After obtaining approval from the unit supervisor, the documents shall be submitted to the Company’s dedicated unit for material information (the Administration Department and its subordinate units) for review and verification. They shall then be forwarded to the Company’s spokesperson for approval. Before the statutory deadline for disclosure, the “External Announcement Application Form” shall be completed and released after approval by the General Manager.

When a major decision resolved by the Company or a significant event occurs that meets the requirements under the Taipei Exchange Procedures for Verification and

Disclosure of Material Information of TPEX-Listed Companies, the Taiwan Stock Exchange Procedures for Verification and Disclosure of Material Information of TWSE-Listed Companies, or, after further assessment, is determined to have a material impact on the Company's finances, operations, shareholder equity, or stock price, the Company shall promptly disclose the material information in accordance with the provisions of the preceding paragraph and within the statutory deadline.

Article 13

1. The disclosure of the Company's material inside information shall be handled by the Company's spokesperson or deputy spokesperson, unless otherwise required by laws or regulations, and the order of substitution shall be clearly designated. When necessary, the Company's responsible person may handle such matters directly.
2. The statements made by the Company's spokesperson and deputy spokesperson shall be limited to the scope authorized by the Company. Except for the Company's responsible person, spokesperson, and deputy spokesperson, no Company personnel may disclose material inside information to external parties without authorization.

Article 14

The Company's Administration Division is the designated unit responsible for handling material information. It is in charge of the assessment, review, approval, and disclosure of material information. Except in emergencies or outside of business hours—where electronic submission and approval may be used—the “Material Information Disclosure Application Form” and the “Material Information Assessment Checklist” shall be completed in writing and submitted to the General Manager for approval. If assessment or approval is conducted electronically, written documentation shall be archived afterward. The aforementioned assessment records, approval documents, and related materials shall be retained for at least

five years.

The Company shall retain the following records for the disclosure of material information:

1. The assessment details.
2. The signatures or seals of the personnel responsible for assessment, review, and approval, along with the corresponding dates and times.
3. The disclosed material information and the applicable legal basis.
4. Other relevant information.

Article 15

If the content of media reports is inconsistent with the information disclosed by the Company, the Company shall promptly provide clarification on the Market Observation Post System (MOPS) and request the media to make corrections.

Article 16

1. If any director, manager, or employee of the Company becomes aware of a leakage of material inside information, they shall promptly report it to the designated unit and the internal audit department.
2. Upon receiving such a report, the designated unit shall formulate appropriate response measures and, when necessary, may convene relevant departments such as internal audit to discuss the handling approach. The handling results shall be documented for record-keeping, and the internal audit department shall also conduct examinations in accordance with its duties.

Article 17

1. Under any of the following circumstances, the Company shall pursue the responsibility of the relevant personnel in accordance with applicable regulations and take appropriate legal actions:
 - (1) Any Company personnel discloses material inside information to external

parties without authorization, or violates this operational procedure or other applicable laws or regulations.

(2) The Company's spokesperson or deputy spokesperson makes external statements that exceed the scope of the Company's authorization, or violates this operational procedure or other applicable laws or regulations.

2. If any person outside the Company leaks the Company's material inside information and causes damage to the Company's property or interests, the Company shall pursue their legal liability through appropriate measures.

Article 18

This operating procedure is incorporated into the Company's internal control system. Internal audit personnel shall periodically review its compliance status and prepare audit reports to ensure the effective implementation of the procedures for handling material inside information.

Article 19

1. The Company shall conduct education and training on this operating procedure and relevant laws and regulations for directors, managers, and employees at least once a year.
2. Education and training shall be provided in a timely manner to newly appointed directors, managers, and employees.
3. Directors and managers shall not trade the Company's shares during the closed period, which is thirty days before the announcement of the annual financial report and fifteen days before the announcement of each quarterly financial report.

Article 20

The Company shall establish and maintain a database of insiders and submit reports to the competent authority in the prescribed manner and within the required deadlines.

Article 21

This operating procedure is established with reference to the “Securities and Exchange Act” and the “Reference Guidelines for Procedures for Handling Material Inside Information” issued by the Financial Supervisory Commission. It is implemented upon submission to and approval by the Audit Committee and adoption by the Board of Directors, and the same process applies to any amendments.