

Pili International Multimedia Co., Ltd.

Audit Committee Charter

Article 1

This Charter is adopted pursuant to Article 3 of the “Regulations Governing the Exercise of Powers by Audit Committees of Public Companies.”

Article 2

The number of members, term of office, powers, rules of procedure for meetings, and resources to be provided by the Company when the Audit Committee ("the Committee") exercises its powers shall be handled in accordance with this Charter.

Article 3

The main function of the Committee is to supervise the following matters:

- I. The proper presentation of the Company’s financial reports.
- II. The appointment (removal) of the attesting certified public accountant, and their independence and performance.
- III. The effective implementation of the Company’s internal controls.
- IV. Company compliance with the relevant laws and regulations.
- V. Management of existing or potential risks to the Company.

Article 4

The Committee shall be made up of all independent directors and may not be smaller than three in number. One member shall be the convener and at least one member must possess accounting or financial qualifications.

Independent directors on the Committee are appointed for a term of three years and may be re-elected for successive terms; if the discharge of an independent director means the number of directors does not satisfy the rules of the preceding paragraph or the articles of incorporation, a by-election shall be held at the next shareholders meeting. In the event that all independent directors have been discharged or all of their positions are vacant, the Company shall convene an extraordinary shareholders meeting to hold a by-election within 60 days of the event.

Article 5

All powers conferred by the Securities and Exchange Act, the Company Act, and other laws and regulations upon supervisors shall be exercised by the Committee except for matters covered by Article 14-4 of the Securities and Exchange Act.

The provisions of Article 14-4, Paragraph 4 of the Securities and Exchange Act concerning the actions of supervisors with regard to the Company Act, or their role as representatives of a company, shall apply mutatis mutandis to the independent directors on the Committee.

Article 6

The powers of the Committee are as follows:

- I. Adoption or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
- II. Assessing the effectiveness of the internal control system.
- III. Adoption or amendment of handling procedures for material financial actions such as the acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others in accordance with Article 36-1 of the Securities and Exchange Act.
- IV. A matter bearing on the personal interest of a director.
- V. A material asset or derivatives transaction.
- VI. A material monetary loan, endorsement, or provision of guarantee.
- VII. The offering, issuance, or private placement of any equity-type securities.
- VIII. The hiring, discharge, or compensation of an attesting CPA.
- IX. The appointment or removal of a financial, accounting, or internal auditing officer.
- X. Annual financial reports and second quarter financial reports that are subject to CPA's audit.
- XI. Any other material matters as defined by the Company or competent authority.

The matters listed in the preceding paragraph require a majority vote of the full Committee and shall be submitted to the Board of Directors for resolution.

If any matter in paragraph 1, with the exception of sub-paragraph 10, does not pass a majority vote by the full Committee, it may still be adopted with a two-thirds majority of the Board of Directors.

The “full Committee” as used herein is defined as the number of Committee members actually in office at the given time.

The convener of the Committee shall represent the Committee to the public.

Article 7

The Committee shall be convened at least once every quarter. Extraordinary meetings may be convened as necessary.

When the Committee is convened, a notice stating the reason for the meeting shall be sent to all independent directors on the Committee seven days in advance. This requirement can be waived in an emergency.

The full Committee shall elect one member from among their number to serve as the convener and chair. If the convener is on leave or unable to convene a meeting for any reason, another independent director may be designated as the acting convener; if an acting convener was not designated by the convener then one shall be elected by the other independent directors of the Committee.

The Committee may request the managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other Company personnel to attend the meeting as non-voting participants and provide pertinent and necessary information. Non-voting participants shall excuse themselves during the discussions and voting.

When the Committee is convened, it shall furnish the members of the Committee present at the meeting with relevant materials for reference.

Article 8

When the Committee is convened, an attendance book shall be made available by the Company for attending independent directors to sign-in with and for future reference.

Independent directors on the Committee shall attend meetings of the Committee in person. If an independent director is unable to attend in person, he or she may appoint another independent director to attend in proxy; attendance via teleconferencing shall be considered to be attendance in person.

A Committee member that appoints another independent director member their proxy at a meeting of the Committee shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the agenda.

Resolutions of the Committee require a majority vote of the full membership. The result of a vote shall be made know immediately and recorded in writing.

If the Committee cannot be convened due to legitimate reasons then resolutions may be adopted with a two-thirds majority of the Board of Directors. Independent directors shall still be required to issue their written consent or dissent on matters covered under Article 6, Paragraph 1, Sub-paragraph 10.

The proxy under Paragraph 2 is limited to acting as proxy for one person only.

Article 9

Meeting minutes detailing the following matters shall be compiled of discussions by the Committee:

- I. I. The session, time and location of the meeting.
- II. Name of the chair.
- III. Attendance by independent directors including the names and number of attending, excused or absent members.
- IV. The names and titles of non-voting participants.
- V. The name of the minute-taker.
- VI. Matters reported at the meeting.
- VII. Items on the agenda: The resolution and result for each proposal, summary of comments by independent directors of the Committee, experts and other personnel, the names of any independent directors with an interest in the matter under Article 11, Paragraph 1, explanation on the nature of the interest, their reason for recusal or non-recusal, dissenting or qualified opinions.
- VIII. Extraordinary motions: The name of the mover, resolution and result for each motion, summary of comments by independent directors of the Committee, experts and other personnel, the names of any independent directors with an interest in the matter under Article 11, Paragraph 1, explanation on the nature of the interest, their reason for recusal or non-recusal, dissenting or qualified opinions.
- IX. Any other matters that should be on record.

The attendance book of the Committee is a part of the meeting minutes and shall be preserved for the existence of the Company.

The meeting minutes must be signed or stamped with the chop of the chairperson and minute-keeper then delivered to each independent director within 20 days of the

meeting. The minutes shall be treated as important corporate records to be preserved for the existence of the Company.

The meeting minutes under Paragraph 1 may be prepared and distributed in an electronic format.

Article 9-1

Audio or video of all proceedings during Committee meeting shall be recorded and preserved for at least 5 years, in electronic form or otherwise. If litigation relating to resolutions made by the Committee occurs before the expiration of the retention period in the preceding paragraph, the audio or video recordings shall be retained until the conclusion of litigation.

The audio-video information from meetings convened over video-conferencing shall be considered a part of the meeting minutes and shall be properly preserved for the existence of the Company.

Article 10

The Committee's agenda shall be drafted by the convener. Other members may also put forward proposals for discussion by the Committee.

Article 11

Independent directors on the Committee with an interest in an item on the agenda shall explain the nature of their interest. If such a relationship is likely to be prejudicial to the interests of the Company, they may not participate in the discussion or voting. They must also recuse themselves during the discussion and voting, and may not serve as the proxy for other independent directors.

If no decision can be made by the Committee on an agenda item for the reason stated in the preceding paragraph then it shall be reported to the Board of Directors for a decision to be made.

Independent directors are considered stakeholders if their spouse or any second-degree direct relative or closer is identified a stakeholder to the discussed topic

If no decision can be made by the Committee on an agenda item for the reason stated in Paragraph 1, then it shall be reported to the Board of Directors for a decision to be made.

Article 11-1

The Company should record the whole process of a meeting of the committee using audio or video devices. The audio or visual recordings must be kept for at least five (5) years, acceptable in electronic forms.

Before the expiry date of the afore-mentioned files, if a lawsuit occurs that is connected with resolutions reached in a meeting of the committee, the relevant audio or video recordings should be kept until the end of the lawsuit.

As for committee meetings conducted in the form of video conference, their audio and video recordings are considered part of the minutes and should be properly preserved throughout the existence of the Company.

Article 12

The Committee may by resolution retain the services of legal counsel, CPA, or other professionals to conduct any necessary investigations or provide their recommendations on matters covered under Article VI. Any resulting expense shall be met by the Company.

Article 13

Committee members shall exercise the due care of a good administrator and faithfully perform the duties as prescribed in this Charter. They shall be answerable to the Board of Directors and submit their proposals to the Board for its decision.

Article 14

The Committee shall periodically review matters relating to this Charter and propose amendments to the Board of Directors.

The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.

Article 15

This Charter, and any amendments hereto, shall come into in force after adoption by a resolution of the board of directors.

Initial implementation of this Charter however requires a resolution by the shareholders meeting.

Article 16

This Charter was adopted on October 11, 2013.

1st amendment to this Procedure was made on Nov. 6, 2017

2nd amendment to this Procedure was made on May 30, 2014.

3rd amendment to this Procedure was made on March 23, 2020.