Ching Feng Home Fashions Co., Ltd.

Procedures for the Prevention of Insider Trading

Article 1 (Purpose)

To prevent insider trading, protect investors, and protect the Company's interests, these Procedures are established to ensure that neither the Company nor its insiders become embroiled in reputation-damaging litigation through willful non-compliance or an inadvertent lack of regulatory understanding.

Article 2 (Scope)

The management operations of the Company for the prevention of insider trading shall be governed by these Operating Procedures; provided, however, that where other laws and regulations provide otherwise, such provisions shall prevail.

Article 3 (Definitions)

1. Insiders: In accordance with the regulations governing corporate insiders under the Securities and Exchange Act, the scope of insiders includes the Company’s directors, managers, and shareholders holding more than ten percent of the total issued shares. Related parties of insiders include:
   (1) the insider’s spouse, minor children, and persons holding shares under another person's name;
   (2) the representatives of institutional directors, the representatives’ spouses, minor children, and persons holding shares under another person's name. All of the above categories shall be classified as insiders of the Company.
2. Persons Subject to Insider Trading Regulations: In addition to the aforementioned insiders, this category further includes persons who have learned of the information by reason of an occupational or controlling relationship, as well as information recipients who have learned of the information from an insider.

Article 4 (Responsibilities)

1. The Finance Department shall be the dedicated unit in charge of handling material internal information and preventing insider trading, with the following powers and duties:
   (1) Responsible for the formulation and maintenance of these Operating Procedures.
   (2) Responsible for receiving reports concerning the leak of material internal information and formulating countermeasures.
   (3) Responsible for formulating plans for the preservation of all documents, files, and records related to these Operating Procedures.
   (4) Other business matters related to these Operating Procedures.
2. The Company’s spokesperson shall be responsible for publicly disclosing and reporting material information of the Company to external parties.

Article 5 (Operational Content)

1. In accordance with the provisions of Article 157-1, Paragraph 1 of the Securities and Exchange Act, the following categories of persons are within the scope of application subject to the prohibition of insider trading regulations, including:
   (1) Directors and managers of the Company, as well as natural persons designated to exercise duties on their behalf under Article 27, Paragraph 1 of the Company Act (which provides that when a government or juristic person is a shareholder, it may be elected as a director, provided that a natural person must be designated to act as its representative).
   (2) Shareholders holding more than ten percent of the total shares of the Company.
   (3) Persons who have learned of the information by reason of an occupational or controlling relationship.
   (4) Persons for whom less than six months have elapsed since losing the status specified in the preceding three items.
   (5) Persons who have learned of the information from any of the persons listed in the preceding four items.

   In addition, pursuant to Article 22-2 of the Securities and Exchange Act, the shares held by a director, manager, or shareholder holding more than ten percent of the total shares of the Company shall include the shares held by their spouse, minor children, and those held under another person's name.

2. Insider Trading:
   Pursuant to Article 157-1, Paragraph 1 of the Securities and Exchange Act, when any person subject to insider trading regulations learns of any information that will have a material impact on the Company's stock price, such person shall not buy or sell the shares of the Company listed on the stock exchange or traded at the business places of securities firms, or any other corporate securities with the nature of equity, prior to the public disclosure of such information or within eighteen hours after its public disclosure. Any violation of this provision shall constitute insider trading.

3. In accordance with the provisions of Article 157-1, Paragraph 4 of the Securities and Exchange Act, the scope of information with a material impact on the Company's stock price includes:
   (1) Information involving the finances or business of the Company that will have a material impact on the Company’s stock price, or that will have a significant impact on the investment decisions of a reasonably prudent investor.
   (2) Information involving the market supply and demand of such securities or an open market tender offer (public purchase) that will have a material impact on the Company’s stock price, or that will have a significant impact on the investment decisions of a reasonably prudent investor.

4. The methods of public disclosure for information with a material impact on the stock price:

   Pursuant to the "Regulations Governing the Scope of Material Information and the Means of its Public Disclosure Under Article 157-1, Paragraph 4 of the Securities and Exchange Act":
   (1) The means of public disclosure for material information involving the Company’s finances or business shall refer to the entry of such information into the Market Observation Post System (MOPS) by the Company.

(2) The means of public disclosure for material information involving market supply and demand shall refer to the entry of such information into the Market Observation Post System (MOPS), the Market Information System (MIS), or the reporting thereof on the non-local pages of two or more daily newspapers distributed nationwide, on national television news, or via electronic newspapers published by the aforementioned media.

5. Operating procedures for handling material information:
When handling and disclosing material internal information, the Company shall comply with relevant laws, orders of the competent authority, regulations of the Taiwan Stock Exchange or securities authorities, and the Company's "Operating Procedures for Handling Material Internal Information."

6. Trading Blackout Period
o satisfy corporate governance supervisory requirements, the stock trading control measures for the Company's insiders upon learning of the Company's financial reports or related performance results are explicitly established. Directors shall not trade their shares during the blackout periods of thirty days prior to the publication of the annual financial reports and fifteen days prior to the publication of each quarterly financial report.

Article 6 Awareness campaigns

At least once per year, this Corporation shall conduct educational campaigns to promote awareness among all directors, supervisors, managerial officers, and employees with respect to these Procedures and related laws and regulations.

This Corporation shall also provide educational campaigns to new directors, supervisors, managerial officers, and employees in a timely manner.

Article 7 The Company shall establish and maintain profile files of insiders, and report such information to the competent authority within the prescribed time limit and in the manner regulated.

Article 8 These Operating Procedures shall come into force after being approved by the Board of Directors; the same shall apply to any amendments hereto.

These Operating Procedures were amended on November 11, 2019.

These Operating Procedures were amended on November 8, 2023.