

Desiccant Technology Co., Ltd.

Organizational Regulations of the Audit Committee

1. Purpose and Basis

In order to establish good corporate governance and strengthen the professional functions of the board of directors, this Audit Committee (referred to as "the Committee" below) organizational regulations (referred to as "these Regulations" below) are established in accordance with Article 14-4 of the Securities and Exchange Act (referred to as "the Securities Act" below) and Article 3 of the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, for compliance purposes.

2. Scope of Application

The number of members, term, powers, rules of procedure, and resources provided by the company when exercising their powers, etc. of this Committee shall be subject to the provisions of these Regulations.

3. Number and Term of Composition

3.1 The Committee is composed of all independent directors, and the number of members shall not be less than three. One of them shall serve as the convener, and at least one member shall possess accounting or financial expertise.

3.2 The term of the independent directors serving on the Committee is three years, and they may be re-elected. If they are dismissed due to unforeseen circumstances, resulting in an insufficient number of members as stipulated in the previous paragraph or the company's articles of association, they shall be filled at the nearest shareholder meeting. When all independent directors are dismissed, the company shall hold a temporary shareholder meeting to fill the vacancies within sixty days from the date of the incident.

4. Relationship with the Auditor

4.1 The provisions of Article 14-4, paragraph 4 of the Securities and Exchange Act concerning the actions of the company's representative or the company law relating to the auditor shall apply to the independent directors of the Audit Committee.

5. Powers and Duties of the Audit Committee

5.1 The powers and duties of the Audit Committee are as follows:

5.1.1 To establish or amend the internal control system pursuant to Article 14-1

of the Securities and Exchange Act.

- 5.1.2 To assess the effectiveness of the internal control system.
 - 5.1.3 To establish or amend the procedures for the company's significant financial and business transactions, such as asset acquisition or disposal, derivative trading, lending of funds to others, endorsing or guaranteeing for others, pursuant to Article 36-1 of the Securities and Exchange Act.
 - 5.1.4 To handle matters related to conflicts of interest of directors themselves.
 - 5.1.5 To handle significant asset or derivative trading.
 - 5.1.6 To handle significant lending, endorsement or guarantee activities.
 - 5.1.7 To handle the issuance, public offering or private placement of equity securities.
 - 5.1.8 To appoint, dismiss or determine the remuneration of the certified public accountant.
 - 5.1.9 To appoint or dismiss the financial, accounting or internal audit managers.
 - 5.1.10 To handle the annual financial reports signed or stamped by the chairman, manager and accounting manager.
 - 5.1.11 Other significant matters as required by the company or competent authority.
- 5.2 The above resolutions shall require the approval of more than half of all members of the Audit Committee and be submitted to the Board of Directors for approval.
- 5.3 Except for the tenth item of the preceding paragraph, if the approval of more than half of all members of the Audit Committee cannot be obtained, the resolution may be passed by the approval of more than two-thirds of all directors.
- 5.4 All members shall be counted based on the actual number of members in office as defined in this regulation.
- 5.5 The convener of the Audit Committee shall represent the Audit Committee externally.

6. Notice and Convocation of Meetings

- 6.1 The Committee shall hold at least one meeting every quarter and may convene meetings as necessary.
- 6.2 The convocation of the Committee shall specify the reasons for the convocation and notify each independent director member of the Committee at least seven days in advance, except in the case of urgent matters.
- 6.3 The Committee shall elect one person from among its members as the

convener and chairperson of the meeting. In the event that the convener is unable to convene the meeting due to leave or other reasons, he or she may designate another independent director member to act on his or her behalf. If the convener does not designate a proxy, the independent director members of the Committee shall elect a proxy from among themselves.

- 6.4 The Committee may invite relevant department managers of the Company, internal auditors, accountants, legal advisors, or other personnel to attend meetings and provide necessary information, but they shall leave when discussions and voting take place.
- 6.5 The Committee shall prepare relevant materials for the attending Committee members to consult at any time.

7. Attendance and Resolutions

- 7.1 When the Committee convenes, the Company shall provide a sign-in book for the attendance of independent director members, which shall be available for inspection.
- 7.2 Independent director members of the Committee shall attend the meeting in person. If unable to attend in person, they may appoint another independent director member to attend on their behalf. If participating in the meeting by video, it shall be deemed as attending in person.
- 7.3 When a Committee member appoints another independent director member to attend the meeting on their behalf, they shall issue a power of attorney for each occasion and specify the scope of authority for the convocation.
- 7.4 The resolutions of the Committee shall require the approval of more than half of all members. The results of the vote shall be reported on the spot and recorded.
- 7.5 If there are legitimate reasons that prevent the Committee from convening, it shall be implemented with the consent of more than two-thirds of all directors of the Board of Directors. However, independent director members shall provide their opinions on whether they agree with the matters stated in Section 5.10.
- 7.6 The second proxy is limited to being appointed by only one person.
- 7.7 When the meeting time has arrived and more than half of the directors are present, the Chairman of the Board shall announce the opening of the meeting.
- 7.8 If at the meeting time, half of the directors are absent, the Chairman may announce the postponement of the meeting. The meeting may be postponed up to two times, and if there is still not a quorum, the Chairman may reconvene

the meeting in accordance with Article 2 of these Rules of Procedure.

7.9 The term "all directors" refers to the actual serving directors.

8. Minutes of Meeting

8.1 The proceedings of the committee shall be recorded in the form of minutes of meeting, which shall include the following details:

8.1.1 Date, time, and venue of the meeting.

8.1.2 Name of the chairman.

8.1.3 Attendance record of independent directors, including their names, numbers of attendance, absence, or leave of absence.

8.1.4 Name and title of attendees.

8.1.5 Name of recorder.

8.1.6 Matters reported.

8.1.7 Matters discussed: resolution methods and results of each proposal, summaries of statements made by independent directors, experts, and other personnel, names of independent directors with potential conflicts of interest under Article 11(1), explanations of important contents of conflicts of interest, reasons for recusal or non-recusal, instances of recusal, objections or reservations.

8.1.8 Ad hoc proposals: name of proposer, resolution methods and results of proposal, summaries of statements made by independent directors, experts, and other personnel, names of independent directors with potential conflicts of interest under Article 11(1), explanations of important contents of conflicts of interest, reasons for recusal or non-recusal, instances of recusal, objections or reservations.

8.1.9 Other items to be recorded:

The attendance book of the committee shall be part of the minutes of meeting and shall be properly preserved during the existence of the company. The minutes of meeting shall be signed or stamped by the chairman and recorder, distributed to each independent director of the committee within 20 days after the meeting, and included in the important files of the company, which shall be properly preserved during the existence of the company. The minutes of meeting under paragraph 1 may be made and distributed electronically.

9. Recording or Filming of the Audit Committee Meeting Proceedings as Evidence

9.1 The company shall record or film the entire process of the committee meetings

and preserve it for at least five years. If litigation related to the committee arises during the preservation period of the electronic data, the related recording or filming data shall continue to be preserved until the end of the litigation.

- 9.2 For meetings held via video conference, the video and audio materials shall be part of the minutes of meeting and shall be properly preserved during the existence of the company.

10. Agenda Arrangement

The financial and accounting department is the unit responsible for assisting the committee in planning the agenda, convening the meeting, issuing notices, conducting the meeting, recording the meeting, and other members may provide proposals for discussion.

11. Explanation of the Independence Director's conflicts of interest and recusal of interests

11.1 The independent directors in this committee should disclose the important contents of their conflicts of interest when discussing matters that involve their own interests. If there is a risk of harming the company's interests, they cannot participate in discussions and voting. They should also recuse themselves during the discussion and voting and cannot act as proxies for other independent directors to exercise their voting rights.

11.2 The spouse or blood relatives within the second degree of kinship of an independent director shall be deemed to have a personal interest in the matters discussed in the preceding paragraph.

11.3 If the committee cannot make a decision due to the provisions of the first paragraph, it shall report to the board of directors and let the board make the decision.

12. Implementation of the resolutions

The relevant implementation work of the resolutions passed by this committee may be authorized to the convener or other members of the committee for continued handling. During the implementation period, written or oral reports should be made to the committee, and if necessary, they should be submitted to the committee for approval or report at the next meeting.

13. The use of company resources by the committee

The committee may appoint lawyers, accountants, or other professionals to

conduct necessary audits or provide consultations on matters related to Article 6, and the expenses incurred shall be borne by the company.

14. Others

Members of this committee should act with the diligence of a good manager and faithfully fulfill the duties stipulated in this organization's regulations. They are responsible to the board of directors and shall submit their proposals to the board for decision-making.

15. Implementation

This organization's regulations shall come into effect after being approved by the board of directors and shall also apply to amendments.