GROUNDHOG INC.
AUDIT COMMITTEE CHARTER

Last Amendment Date: July 07, 2022

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

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

Article 2

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

Article 3

The primary purpose of the operation of the Committee is to oversee the following matters:

1. The proper expression of the company's financial statements.
2. The selection (dismissal) and independence and performance of certifying accountants.
3. The effective implementation of internal control within the company.
4. Compliance with relevant laws and regulations by the company.
5. The management of existing or potential risks for the company.

Article 4

The Committee shall consist of all independent directors, and the number of members shall not be less than three, with one member serving as the convener, and at least one member shall have expertise in accounting or finance.

The term of office of independent directors of the Committee shall be three years and is renewable. If an independent director is dismissed due to unforeseen circumstances, resulting in an insufficient number as stipulated
in the preceding paragraph or in the company's articles, they shall be elected at the nearest shareholder meeting. When all independent directors are dismissed, the company shall convene an extraordinary shareholder meeting within sixty days of the occurrence.

Article 5

Matters relating to the exercise of powers stipulated in the Securities Exchange Act, the Company Act, and other statutory provisions that should be exercised by supervisors shall be exercised by the Committee, except for the matters in the fourth paragraph of Article 14-4 of the Securities Exchange Act, which shall be exercised by the Committee's independent director members with regard to the acts of supervisors under the Company Act.

The provisions in the fourth paragraph of Article 14-4 of the Securities Exchange Act regarding acts related to conflicts of interest of directors shall apply mutatis mutandis to the independent director members of the Committee.

Article 6

The powers of the Committee are as follows:

1. Establishing or amending internal control systems in accordance with Article 14-1 of the Securities Exchange Act.
2. Assessing the effectiveness of the internal control system.
3. Establishing or amending procedures for acquiring or disposing of assets, engaging in derivative commodity trading, lending funds to others, endorsing or guaranteeing others in significant financial transactions as stipulated in Article 36-1 of the Securities Exchange Act.
4. Matters involving the self-interest of directors.
5. Significant asset or derivative commodity transactions.
6. Significant loans of funds, endorsements, or guarantees.

7. Raising, issuing, or privately placing equity securities.

8. Appointing, dismissing, or determining the compensation of certifying accountants.

9. Appointing or dismissing financial, accounting, or internal audit managers.

10. Annual financial reports and semi-annual financial reports.

11. Other significant matters as required by the company or regulatory authorities.

Resolutions on the matters in the preceding paragraph shall require the agreement of more than half of the members of the Committee and shall be submitted for resolution by the board of directors. Except for the tenth item in the first paragraph, matters not agreed upon by more than half of the members of the Committee may be carried out with the consent of more than two-thirds of all directors. The term "all members" in this Charter refers to those currently in office. The convener of the Committee represents the Committee externally.

**Article 7**

This Committee shall meet at least once every quarter and may convene meetings as needed. The convening of the Committee shall state the reasons for the meeting and notify all independent director members of the Committee at least seven days in advance, except in cases of emergency.

The Committee shall select one person from among its members to serve as the convener and meeting chairperson. If the convener is absent or unable to convene the meeting for any reason, another independent director member designated by the convener shall act as a proxy. If the convener does not designate a proxy, the independent director members of the Committee shall select one.
This Committee may invite relevant company personnel, internal auditors, accountants, legal advisors, or other individuals to attend meetings and provide necessary information. However, they shall leave during discussions and voting.

When the Committee convenes a meeting, it should have relevant documents available for Committee members to consult.

**Article 8**

When the Committee convenes, the company shall provide a sign-in sheet for the attendance of independent director members, and it should be available for examination.

Independent director members of the Committee shall attend the Committee meetings in person. If unable to attend in person, they may appoint another independent director member as a proxy. If a member participates in the meeting via video conferencing, it is considered as attending in person.

When a Committee member appoints another independent director member as a proxy to attend the Committee, a proxy letter shall be provided each time, specifying the scope of authorization for the convened reason.

Resolutions of the Committee shall require the agreement of more than half of all members. The voting results shall be reported on the spot and recorded. If there is a legitimate reason that prevents the Committee from convening, it shall be done with the consent of more than two-thirds of all directors of the board. However, for the matters specified in the tenth item of the first paragraph of Article 6, the opinions of the independent director members shall still be obtained when they are not in agreement.

A proxy may represent the authorization of only one person.

**Article 9**

The proceedings of this committee should be documented in the minutes,
which should include the following details:

1. The date, time, and location of the meeting.
2. The name of the chairperson.
3. Attendance status of independent director members, including names and the number of those present, on leave, or absent.
4. The names and titles of attendees.
5. The name of the recorder.
6. Matters reported.
7. Discussion topics: resolution methods and outcomes for each agenda item, summaries of statements by independent director members, experts, and other personnel, the names of independent director members with conflicts of interest as per Article 11, an explanation of the significant content of these conflicts of interest, reasons for recusal or non-recusal, the circumstances of recusal, and any objections or reservations.
8. Ad hoc motions: the name of the proposer, resolution methods and outcomes of the motions, summaries of statements by independent director members, experts, and other personnel, the names of independent director members with conflicts of interest as per Article 11, an explanation of the significant content of these conflicts of interest, reasons for recusal or non-recusal, the circumstances of recusal, and any objections or reservations.
9. Other matters that should be recorded.

The attendance register of this committee is part of the minutes and should be properly retained during the company's existence. The minutes must be signed or sealed by the meeting chair and the recorder and distributed to all independent director members of the committee within twenty days after the meeting. They should also be included in the important records of the company and properly maintained during the company's existence. The production and distribution of the minutes can be done electronically.
**Article 10**

The agenda for this committee is set by the convener, but other members may also propose items for discussion by the committee.

**Article 11**

For matters related to the committee's agenda, independent director members of this committee with conflicts of interest should explain the significant content of their conflicts of interest. If there is a risk to the company's interests, they must not participate in the discussion and voting. They should also recuse themselves during discussions and voting and cannot represent other independent director members in voting. If, due to the above provision, the committee is unable to make a decision, it must report to the board of directors, which will make the decision.

**Article 11-1**

The company must record the entire proceedings of this committee's meetings on audio or video and retain them for at least five years. This retention can be done electronically. If the five-year period has not yet expired and there is litigation related to the committee's decision, the relevant audio or video records should be retained until the litigation is concluded. For committee meetings conducted via video conferencing, the video and audio data form part of the minutes and should be properly retained during the company's existence.

**Article 12**

The committee may, by resolution, appoint lawyers, accountants, or other professionals as necessary to conduct audits or provide consultation on matters related to Article 6. The expenses incurred shall be borne by the company.
Article 13
The Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed in this Charter; they shall be accountable to the board of directors and shall submit their proposals to be resolved by the board.

Article 14
The Committee shall conduct periodic reviews of matters relating to this Charter and present the results for amendment by 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.