

ADVISEMENT REPORT ON MATERIAL RELATED PARTY TRANSACTIONS

Reporting PLC: SFA Semicon Philippines Corporation

SEC Identification Number: CS201000985

Name of Related Party: SFA Semicon Co. Ltd

Execution Date of Transaction: July 1, 2020

Relationship between the Parties including financial/non-financial interest: Parent Company

Type/Nature of Transaction and Description of Assets Involved	Terms and Conditions	Rationale for Entering into the Transaction	Total Assets ¹ of Reporting PLC	Amount/ Contract Price	Percentage of the Contract Price to the Total Assets of the Reporting PLC	Carrying Amount of Collateral, if any	Approving Authority ²
Extension of the Business Transaction Agreement & its Supplemental Agreements for the production of memory and other semiconductor products for SFA Semicon Co. Ltd of South Korea	See Annex A-1	To stabilize both parties production output and ensure product quality assuring business growth in the semicon industry	\$188,581,899	Estimated to be nearly around \$456 million USD Dollars comprising Sales of various semicon products, purchase of raw materials, production equipment and other production supplies, consumables, spare parts, etc.)	About 242% or higher of the Company's total assets ending Dec 31, 2019	Not applicable	Unanimously approved by the Board of Directors (with all the directors present) at its meeting held on June 15, 2020

¹ Total assets of SFA Semicon Philippines Corporation as of December 31, 2019.

² All the directors of SSP were present and voted for the approval of (a) the extension or renewal of the Business Transaction Agreement between SFA Semicon Co., Ltd. (or "SSK") and SFA Semicon Philippines Corporation (or "SSP"), and (b) the extension or renewal of the Supplemental Agreement (to the Business Transaction Agreement) between SSK and SSP: Mr. Joon Sang Kang, Mr. Daekyu Kang, Mr. Hyunggoo Oh, Mr. Minhun Seo, Mr. Chunkee Son, Mr. Carlos Alindada (via teleconference) and Ms. Ma. Delia Tomacruz (via teleconference).

SIGNATURES

Pursuant to the requirements of the Commission, the company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SFA Semicon Philippines Corporation

SFA Semicon Co. Ltd.

JOON SANG KANG

Authorized Representative

DAEKYU KANG

Authorized Representative

³ Proof of authority must be attached to the Advisement Report.

Annex A-1

- The Business Transaction Agreement (BTA) and its Supplemental Agreements (Agreements) between SFA Semicon Philippines Corporation (SSP) SFA Semicon Co. Ltd. (SSK) of South Korea originally took effect July 1, 2019. These two agreements were renewed to take effect July 1, 2020. Amendments were made on their term clause to provide for subsequent automatic for 1 year each on the BTA and 1 month each on the Agreements, at the same terms and conditions unless any of the parties gives a notice of its intention to change or terminate the agreement 30 days prior to termination.
- The BTA and the Agreements consist of manufacture-assembly and test packaging, processing and repair, etc. of semiconductor products by SSP for SFA and its Clients and the supply of raw materials, parts, finished products, and various production equipment by SSK to SSP or vice versa.
- The unit price shall be determined by agreement of both parties considering the contents, quantity of the Deliverables, title of intellectual property rights, labor cost, administrative expenses, inflation, other costs incidental to the business transaction and proper mark-up of both parties.
- SSP shall place an order with sufficient lead time so as not to interfere with the delivery by SSP when entrusting manufacturing, etc.